

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

SCHEDULE 13G

Under the Securities Exchange Act of 1934
(Amendment No. 18)*

MICROSOFT CORPORATION

(Name of Issuer)

Common Stock

(Title of Class of Securities)

594918104

(CUSIP Number)

December 31, 2010

(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

- Rule 13d-1(b)
- Rule 13d-1(c)
- Rule 13d-1(d)

*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).

CUSIP No. 594918104

1. Names of Reporting Persons.
William H. Gates III

2. Check the Appropriate Box if a Member of a Group (See Instructions)

- (a)
- (b)

3. SEC Use Only

4. Citizenship or Place of Organization
United States of America

5. Sole Voting Power
600,974,696

Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With

6. Shared Voting Power
-0-

7. Sole Dispositive Power
600,974,696

8. Shared Dispositive Power
-0-

9. Aggregate Amount Beneficially Owned by Each Reporting Person
600,974,696

10. Check if the Aggregate Amount in Row (9) Excludes Certain Shares (See Instructions)

11. Percent of Class Represented by Amount in Row (9)
7.0%

12. Type of Reporting Person (See Instructions)
IN

Item 1.

(a) Name of Issuer
Microsoft Corporation

(b) Address of Issuer's Principal Executive Offices
One Microsoft Way, Redmond, Washington 98052

Item 2.

(a) Name of Person Filing
William H. Gates III

(b) Address of Principal Business Office or, if none, Residence
One Microsoft Way, Redmond, Washington 98052

(c) Citizenship
United States of America

(d) Title of Class of Securities
Common Stock

(e) CUSIP Number
594918104

Item 3. If this statement is filed pursuant to §§240.13d-1(b) or 240.13d-2(b) or (c), check whether the person filing is a:

Not applicable.

Item 4. Ownership

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

(a) Amount beneficially owned:
See the response to Item 9 on the attached cover page.

(b) Percent of class:
See the response to Item 11 on the attached cover page.

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

(i) Sole power to vote or to direct the vote
See the response to Item 5 on the attached cover page.

(ii) Shared power to vote or to direct the vote
See the response to Item 6 on the attached cover page.

(iii) Sole power to dispose or to direct the disposition of
See the response to Item 7 on the attached cover page.

(iv) Shared power to dispose or to direct the disposition of
See the response to Item 8 on the attached cover page.

Item 5. Ownership of 5 Percent or Less of a Class

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than 5 percent of the class of securities, check the following o.

Item 6. Ownership of More than 5 Percent on Behalf of Another Person

Not applicable.

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on By the Parent Holding Company

Not applicable.

Item 8. Identification and Classification of Members of the Group

Not applicable.

Item 9. Notice of Dissolution of Group

Not applicable.

Item 10. Certification

Not applicable.

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 14, 2011

WILLIAM H. GATES III

By: /s/ Alan Heuberger

Name: Alan Heuberger ⁽¹⁾

Title: Attorney-in-fact for William H.
Gates III

⁽¹⁾ Duly authorized under Special Limited Power of Attorney appointing Alan Heuberger attorney-in-fact, dated August 12, 2008, by and on behalf of William H. Gates III, and attached as Exhibit 99.2 to Amendment No. 1 to the Schedule 13D of Cascade Investment, L.L.C. with respect to Otter Tail Corporation filed on April 15, 2009, SEC File No. 005-06638 and incorporated by reference herein.
