

BOUSHY JOHN M

Form 4

March 22, 2006

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
BOUSHY JOHN M

2. Issuer Name **and** Ticker or Trading
Symbol
HARRAHS ENTERTAINMENT
INC [HET]

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)

ONE HARRAH'S COURT

(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
03/20/2006

____ Director ____ 10% Owner
____X____ Officer (give title below) ____ Other (specify below)

Executive Vice President

LAS VEGAS, NV 89119

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
Person

(City) (State) (Zip)

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
			Code	V	Amount	(A) or (D)	Price	
Common Stock	03/20/2006	03/20/2006	M		15,182	A	\$ 43.495	114,241 D
Common Stock	03/20/2006	03/20/2006	M		40,000	A	\$ 54.265	154,241 D
Common Stock	03/20/2006	03/20/2006	S		55,182	D	\$ 76.35	99,059 D

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

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information contained in this form are not
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SEC 1474
(9-02)

number.

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)			
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 43.495	03/20/2006	03/20/2006	M		15,182		<u>(1)</u>	06/18/2010	Common Stock	15,182
Employee Stock Option (Right to Buy)	\$ 54.265	03/20/2006	03/20/2006	M		40,000		<u>(2)</u>	10/14/2011	Common Stock	40,000

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
BOUSHY JOHN M ONE HARRAH'S COURT LAS VEGAS, NV 89119	Executive Vice President

Signatures

John M. Boushy by Angela P. Winter,
attorney-in-fact 03/22/2006

__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) Exercisable in three equal installments on 1/1/04, 1/1/05, and 1/1/06.

(2) Exercisable in three equal installments on 1/1/05; 1/1/06; and 1/1/07.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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