ASHLAND INC. Form 4 July 19, 2007

FORM 4

OMB APPROVAL

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

OMB Number: 3235-0287

Check this box if no longer subject to Section 16. Form 4 or Expires: January 31, 2005

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Estimated average burden hours per response... 0.5

Section 16. Form 4 or Form 5 obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * ESLER SUSAN B			2. Issuer Name and Ticker or Trading Symbol ASHLAND INC. [ASH]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)			
(Last)	(First)) (Middle)	3. Date of Earliest Transaction	(Check an applicable)			
			(Month/Day/Year)	Director 10% Owner			
50 E. RIVERCENTER			07/17/2007	X Officer (give title Other (specify below)			
BOULEVARD				Vice President			
(Street)			4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check			
			Filed(Month/Day/Year)	Applicable Line)			
COVINGTON, KY 41012-0391				_X_ Form filed by One Reporting Person Form filed by More than One Reporting Person			

(City)	(State) (Z	(Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned								
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	Transaction Date 2A. Deemed Execution Date, if any (Month/Day/Year)		4. Securities Acquired on(A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following	6. Ownership Form: Direct (D) or Indirect (I)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
			Code V	Amount	(A) or (D)	Price	Reported Transaction(s) (Instr. 3 and 4)	(Instr. 4)		
Common Stock	07/17/2007		A <u>(1)</u>	1,050	A	\$0	2,537	D		
Common Stock	07/17/2007		F(2)	489	D	\$ 65.12	2,048	D		
Restricted Stock	07/17/2007		J <u>(3)</u>	1,050	D	\$ 0	900	D		
Common Stock							3 (4)	I	401(K)	

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

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SEC 1474 (9-02)

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

1. Title of	2.	3. Transaction Date		4.			6. Date Exercisable and		7. Title and Amount of	
Derivative Security (Instr. 3)	Conversion or Exercise Price of Derivative Security	(Month/Day/Year)	Execution Date, if any (Month/Day/Year)			Expiration Date (Month/Day/Year)		Underlying Securities (Instr. 3 and 4)		Derivati Security (Instr. 5]
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Common Stock Units	\$ 0	07/17/2007		<u>J(5)</u>	118	<u>(5)</u>	<u>(5)</u>	Common Stock	118	\$ 65.1

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

ESLER SUSAN B 50 E. RIVERCENTER BOULEVARD COVINGTON, KY 41012-0391

Vice President

Signatures

David B. Mattingly, Attorney-in-Fact

07/19/2007

Date

**Signature of Reporting Person

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).
- Payment of tax liability by withholding incident to the receipt of the vesting of Common Stock Units acquired pursuant to Ashland's

 (5) Stock Incentive Plan as of 7/17/07, and exempt under Rule 16b-3(e). (One (1) Common Stock Unit in the Deferred Compensation Plan is the equivalent of one (1) share of Ashland Common Stock.)
- Payment of tax liability by withholding incident to the receipt of the vesting of shares of Restricted Common Stock acquired pursuant to Ashland's stock incentive plans as approved by the shareholders and exempt pursuant to Rule 16b-3.
- (3) Reflects the lapsing of restrictions on Restricted Common Stock acquired pursuant to Ashland's stock incentive plans as approved by the shareholders and exempt pursuant to Rule 16b-3.

Reporting Owners 2

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- (4) Based on Employee Savings Plan information as of 7-17-07, the latest date for which such information is reasonably available.
- (1) Common Stock acquired pursuant to the lapsing of the restrictions on Restricted Common Stock acquired pursuant to Ashland's Stock Incentive Plans as approved by the shareholders and exempt pursuant to Rule 16b-3.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.