

RAISH STEPHEN F
Form 4
February 24, 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
Number: 3235-0287
Expires: January 31,
2005
Estimated average
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(Print or Type Responses)

1. Name and Address of Reporting Person *
RAISH STEPHEN F

(Last) (First) (Middle)

6501 LEGACY DR

(Street)

PLANO, TX 75024

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
J C PENNEY CO INC [JCP]

3. Date of Earliest Transaction
(Month/Day/Year)
02/22/2006

4. If Amendment, Date Original
Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

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

EVP, Chief Information Officer

6. Individual or Joint/Group Filing(Check
Applicable Line)
__X__ Form filed by One Reporting Person
____ Form filed by More than One Reporting
Person

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 of 50 cent Par Value | 02/22/2006 | | M | | 200 ⁽⁴⁾ | A \$ 57.6614 | 2,511 | D |
| Common Stock of 50 cent Par Value | | | | | | | 10,510.8534 | I |
| | | | | | | | | By Trustee of 401(k) ⁽¹⁾ |

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

**Persons who respond to the collection of
information contained in this form are not**

SEC 1474
(9-02)

required to respond unless the form
displays a currently valid OMB control
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 Underlying Security (Instr. 3 and 4) |
|---|---|---|---|---|---|--|--|
| | | | | Code | V (A) (D) | Date Exercisable Expiration Date | Title Amount Number Shares |
| PSUs with DERS (DRIP) | (2) | | | | | (2) (2) | Common Stock 53 |
| Mirror Savings Plan | (3) | | | | | (3) (3) | Common Stock 2,46 |
| Options/Right to Buy/Grant | \$ 47.6875 | 02/22/2006 | | S | 1,600 (4) | 02/26/1997 02/26/2006 | Common Stock 1,6 |

Reporting Owners

| Reporting Owner Name / Address | Relationships |
|--|----------------------------------|
| | Director 10% Owner Officer Other |
| RAISH STEPHEN F 6501 LEGACY DR PLANO, TX 75024 | EVP, Chief Information Officer |

Signatures

Ralph H.
Richardson*** 02/24/2006

__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) Equivalent shares based on units of JCPenney stock held by trustee of 401(k) plans, and assigned to my account, as of January 31, 2006, pursuant to plans. Differences in totals reported since last Form 4 or Form 5 represent units acquired by trustee since then in the ordinary course of the plan's administration and reflects adjustments made to all equivalent shares in the plan, divided among accounts of all participants in the plan, all exempt under Rule 16b-3.
- (2) Dividends accrued under Company's Deferred Compensation Plan, exempt under Rule 16a-11.
- (3) Equivalent shares based on units credited under the Company's Mirror Savings Plan I, II, and III.

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- (4) Proceeds of this exercise were used to pay transaction expenses and tax obligations with remaining 200 shares being retained.

Remarks:

***Under continuing POA as filed with the S.E.C.

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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