PAYNE LISA A Form 4

December 07, 2006

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

OMB 3235-0287

Estimated average

Check this box if no longer subject to Section 16.

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

Number: January 31, Expires: 2005

OMB APPROVAL

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

burden hours per response... 0.5

Indirect

Beneficial

Ownership

(Instr. 4)

(9-02)

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * PAYNE LISA A

2. Issuer Name and Ticker or Trading

5. Relationship of Reporting Person(s) to Issuer

Symbol

MASCO CORP /DE/ [MAS]

(Check all applicable)

(Last)

(City)

(First)

(Middle)

(Zip)

3. Date of Earliest Transaction

X_ Director 10% Owner Officer (give title Other (specify

THE TAUBMAN COMPANY, 200 EAST LONG LAKE RD. SUITE

(Street)

300

4. If Amendment, Date Original

6. Individual or Joint/Group Filing(Check Applicable Line)

Filed(Month/Day/Year)

(Month/Day/Year)

12/05/2006

X Form filed by One Reporting Person Form filed by More than One Reporting

D

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

below)

BLOOMFIELD HILLS, MI 48304

(State)

1. Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) Execution Date, if (Instr. 3) (Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

5. Amount of 6. Ownership 7. Nature of Securities Form: Direct Beneficially (D) or Owned Indirect (I) Following (Instr. 4)

Reported Transaction(s)

or (Instr. 3 and 4)

Code V Amount

Price (D)

Common Stock

12/05/2006

A 6,900 Α (1) 6,900

(A)

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

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

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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. Transactio Code (Instr. 8)	5. Number of or 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 Amou Underlying Securi (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amo or Nun of S
Non-Employee Director Stock Option	\$ 29.04	12/05/2006		A	32,000	(2)	12/05/2016	Common Stock	32,

Reporting Owners

Reporting Owner Name / Address	Relationships					
	Director	10% Owner	Officer	Other		
PAYNE LISA A THE TAUBMAN COMPANY 200 EAST LONG LAKE RD. SUITE 300 BLOOMFIELD HILLS, MI 48304	X					

Signatures

Eugene A. Gargaro, Jr. by Power of 12/07/2006 Attorney

> **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).

- (2) The foregoing option is exercisable in annual installments 20% one year from the date of grant and 20% annually thereafter for 4 years.
- (3) Grant of option under Masco Corporation 2005 Long Term Stock Incentive Plan, in transactions exempt under Rule 16 b-3.

Remarks:

Exhibit List: Exhibit 24 - Power of Attorney

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.

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