Shaughnessy Timothy S
Form 4
October 26, 2010

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

(Print or Type Responses)

1. Name and Address of Reporting Person [*]	2. Issuer Name **and** Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer
Shaughnessy Timothy S	INTERNATIONAL BUSINESS MACHINES CORP [IBM]	(Check all applicable)
(Last) (First) (Middle)	3. Date of Earliest Transaction (Month/Day/Year)	_____ Director _____ 10% Owner __X__ Officer (give title _____ Other (specify below) below)
IBM CORPORATION, 294 ROUTE 100	10/25/2010	Senior Vice President
(Street)	4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Check Applicable Line)
SOMERS, NY 10589		_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	10/25/2010		M		12,196	A	$ 0	28,598.272	D	
Common Stock	10/25/2010		F		5,558	D	$ 140.605	23,040.272	D	
Common Stock								1,960.722	I [(1)]	spouse

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

**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 of Underlying Securities (Instr. 3 and 4)		8. Pr Deri Secu (Inst
									Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
				Code	V	(A)	(D)						
Rst. Stock Unit	$ 0 (2)	10/25/2010		M(3)		12,196		(2)	(2)		Common Stock	12,196	$

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Shaughnessy Timothy S IBM CORPORATION 294 ROUTE 100 SOMERS, NY 10589			Senior Vice President	

Signatures

D. Cummins on behalf of T. S. Shaughnessy	10/26/2010
**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)   The reporting person disclaims beneficial ownership of the securities, and this report shall not be deemed an admission that the reporting person is the beneficial owner of such securities for purposes of Section 16 or for any other purpose.

(2)   These units were payable in cash or the company's common stock upon the lapse of the restrictions on the transaction date shown.

(3)   Release of restricted stock units.

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.