CHAMBERS LAMAR M

Form 4

October 27, 2006

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

3235-0287

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Check this box

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 * 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading CHAMBERS LAMAR M Issuer Symbol ASHLAND INC. [ASH] (Check all applicable) (First) (Middle) (Last) 3. Date of Earliest Transaction (Month/Day/Year) Director 10% Owner X_ Officer (give title Other (specify **50 E RIVERCENTER** 10/25/2006 below) below) **BOULEVARD** Controller (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check Filed(Month/Day/Year) Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting COVINGTON, KY 41012-0391 Person

(City) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Ber	neficially Owned
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	1.Title of	2. Transaction Date	2A. Deemed	3.	4. Securit	ies	5. Amount of	6. Ownership	7. Nature of
	Security	(Month/Day/Year)	Execution Date, if	TransactionAcquired (A) or			Securities	Form: Direct	Indirect
	(Instr. 3)		any	Code	Disposed	of (D)	Beneficially	(D) or	Beneficial
			(Month/Day/Year)	(Instr. 8)	(Instr. 3, 4	4 and 5)	Owned	Indirect (I)	Ownership
							Following	(Instr. 4)	(Instr. 4)
						(4)	Reported		
						(A)	Transaction(s)		
				C-J- V	A 4	Or (D) Dries	(Instr. 3 and 4)		
				Code V	Amount	(D) Price			
	Common						(4)		

 $5,620^{(4)}$ 401(K) Stock

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. Transacti Code (Instr. 8)	5. Number of actionDerivative Securities 8) Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		Expiration D	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	
Common Stock Units	\$ 0	10/25/2006		<u>J(3)</u>		29	(3)	(3)	Common Stock	29	\$ 6
Common Stock Units	\$ 0 (1)	10/25/2006		J(2)	2,799		(2)	(2)	Common Stock	2,799	\$ 5

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

CHAMBERS LAMAR M 50 E RIVERCENTER BOULEVARD COVINGTON, KY 41012-0391

Controller

Signatures

David B Mattingly, Attorney-in-Fact

10/27/2006

**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)** 1-for-1
- (2) Common Stock Units acquired pursuant to Ashland's Deferred Compensation Plan as of 10-25-06, and exempt under Rule 16b-3(d). (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 on a dividend payment of Common Stock Units acquired (3) pursuant to Ashland's Stock Incentive Plan as of 10-25-06, and exempt under Rule 16b-3(d). (One (1) Common Stock Unit in the Deferred Compensation Plan is the equivalent of one (1) share of Ashland Common Stock.)
- (4) Based on Employee Savings Plan information as of 10-26-2006, the latest date for which such information is reasonably available. This information includes adjustment for special dividend of \$10.20 per share paid by Ashland Inc. on 10/25/06.

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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