

LOBBYING REPORT

Lobbying Disclosure Act of 1995 (Section 5) - **All Filers Are Required To Complete This Page**

1. Registrant Name:

MICROSOFT CORP

2. Address:

1401 EYE STREET, NW SUITE 500, WASHINGTON, DC 20005

3. Principal place of business (if different from line 2):

City: Redmond State/Zip(or Country): WA 98052

4. Contact Name: KARIN GESS

Telephone: 2022635900

E-mail (optional): kgess@microsoft.com

Senate ID #: 25204-12

House ID #:

7. Client Name: Self

TYPE OF REPORT

8. Year 2006 Midyear (January 1 - June 30): **OR** Year End (July 1 - December 31):

9. Check if this filing amends a previously filed version of this report:

10. Check if this is a Termination Report: => Termination Date: _____ 11. No Lobbying Activity:

INCOME OR EXPENSES

Complete Either Line 12 **OR** Line 13

12. Lobbying Firms

INCOME relating to lobbying activities for this reporting period was:

Less than \$10,000:

\$10,000 or more: => Income (nearest \$20,000): _____

Provide a good faith estimate, rounded to the nearest \$20,000, of all lobbying related income from the client (including all payments to the registrant by any other entity for lobbying activities on behalf of the client).

13. Organizations

EXPENSES relating to lobbying activities for this reporting period were:

Less than \$10,000:

\$10,000 or more: => Expenses (nearest \$20,000): 4,040,000.00

14. Reporting Method.

Check box to indicate expense accounting method. See instructions for description of options.

- Method A.** Reporting amounts using LDA definitions only
 Method B. Reporting amounts under section 6033(b)(8) of the Internal Revenue Code
 Method C. Reporting amounts under section 162(e) of the Internal Revenue Code

Registrant Name: MICROSOFT CORP Client Name: Self

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: CPI (one per page)

16. Specific lobbying issues:

Protection of critical infrastructures and cyber security. Licensing, competition, and government procurement in the software industry. US Senate Council of Europe Treaty ratification. HHS IT e-health procurement.

17. House(s) of Congress and Federal agencies contacted:

Commerce, Dept of (DOC)
Defense, Dept of (DDO)
Energy, Dept of
Executive Office of the President (EOP)
Federal Trade Commission (FTC)
HOUSE OF REPRESENTATIVES
Health & Human Services, Dept of (HHS)
Homeland Security, Dept of (DHS)
Justice, Dept of (DOJ)
SENATE
State, Dept of (DOS)
U.S. Trade Representative (USTR)

18. Name of each individual who acted as a lobbyist in this issue area:

Name: BRADY, BETSY
Covered Official Position (if applicable): N/A
Name: CORLEY, SCOTT
Covered Official Position (if applicable): N/A
Name: GELMAN, MATT
Covered Official Position (if applicable): N/A
Name: GOODWIN, CRISTIN
Covered Official Position (if applicable): N/A
Name: HOUTON, JAMES
Covered Official Position (if applicable): N/A
Name: INGLE, ED
Covered Official Position (if applicable): N/A
Name: KRUMHOLTZ, JACK
Covered Official Position (if applicable): N/A
Name: MANN, SUSAN
Covered Official Position (if applicable): N/A
Name: PASSMAN, PAMELA
Covered Official Position (if applicable): N/A
Name: RUBINSTEIN, IRA
Covered Official Position (if applicable): N/A
Name: SAMPSON, JOHN
Covered Official Position (if applicable): N/A
Name: TIPSON, FRED
Covered Official Position (if applicable): N/A
Name: TORRES, FRANK
Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

Registrant Name: MICROSOFT CORP Client Name: Self

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: CPT (one per page)

16. Specific lobbying issues:

Digital rights management (DTV broadcast flag, audio flag). Software piracy, counterfeiting, and protection of intellectual property rights. Appropriations related to intellectual property rights enforcement. S 167, Family Entertainment and Copyright Act of 2005. HR 4569, Digital Transition Content Security Act of 2005. HR 5553, Section 115 Reform Act of 2006. Digital Content Protection Act of 2006 issues. Treatment of "orphan" works. HR 1201, Digital Media Consumers' Rights Act of 2005. HR 2795, Patent Act of 2005. S 3818, Patent Reform Act of 2006. Amendments to section 114 of the Copyright Act (relating to licensing sound recordings).

17. House(s) of Congress and Federal agencies contacted:

Commerce, Dept of (DOC)
Federal Communications Commission (FCC)
HOUSE OF REPRESENTATIVES
Justice, Dept of (DOJ)
SENATE
U.S. Copyright Office
U.S. Trade Representative (USTR)

18. Name of each individual who acted as a lobbyist in this issue area:

Name: CORLEY, SCOTT
Covered Official Position (if applicable): N/A
Name: GELMAN, MATT
Covered Official Position (if applicable): N/A
Name: HOUTON, JAMES
Covered Official Position (if applicable): N/A
Name: INGLE, ED
Covered Official Position (if applicable): N/A
Name: KRUMHOLTZ, JACK
Covered Official Position (if applicable): N/A
Name: MANN, SUSAN
Covered Official Position (if applicable): N/A
Name: PASSMAN, PAMELA
Covered Official Position (if applicable): N/A
Name: SAMPSON, JOHN
Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

Registrant Name: MICROSOFT CORP Client Name: Self

LOBBYING ACTIVITY

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: CSP (one per page)

16. Specific lobbying issues:

S 1004, Enhanced Consumer Protection Against Spyware Act of 2005. S 1789, Personal Data Privacy and Security Act. S 1408, Identity Theft Protection Act. S 687, Software Principles Yielding Better Levels of Consumer Knowledge Act. HR 4127, Data Accountability and Trust Act. HR 3997, Data & Cybersecurity Protection Act. HR 5319, Deleting Online Predators Act of 2006. S 2169, Financial Data Protection Act of 2005. S 3568, Data Security Act of 2006. HR 4472, Adam Walsh Child Protection and Safety Act of 2006. S 1608, US Safe Web Act. Botnets and consumer security. HR 29, Safeguard Against Privacy Invasion Act. HR 744, Internet Spyware (I-Spy) Prevention Act International online consumer protection, privacy, jurisdictional, and child safety issues. Controlling the Assault of Non-Solicited Pornography and Marketing Act issues.

17. House(s) of Congress and Federal agencies contacted:

Commerce, Dept of (DOC)
Federal Trade Commission (FTC)
HOUSE OF REPRESENTATIVES
Homeland Security, Dept of (DHS)
SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: BRADY, BETSY
Covered Official Position (if applicable): N/A
Name: BUCKNER, MARLAND
Covered Official Position (if applicable): N/A
Name: CORLEY, SCOTT
Covered Official Position (if applicable): N/A
Name: GELMAN, MATT
Covered Official Position (if applicable): N/A
Name: GOODWIN, CRISTIN
Covered Official Position (if applicable): N/A
Name: HOUTON, JAMES
Covered Official Position (if applicable): N/A
Name: INGLE, ED
Covered Official Position (if applicable): N/A
Name: KRUMHOLTZ, JACK
Covered Official Position (if applicable): N/A
Name: RUBINSTEIN, IRA
Covered Official Position (if applicable): N/A
Name: SAMPSON, JOHN
Covered Official Position (if applicable): N/A
Name: TORRES, FRANK
Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

Registrant Name: MICROSOFT CORP Client Name: Self

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Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: EDU (one per page)

16. Specific lobbying issues:

HR 3010, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act of 2006.

17. House(s) of Congress and Federal agencies contacted:

Commerce, Dept of (DOC)
Education, Dept of
HOUSE OF REPRESENTATIVES
SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: BUCKNER, MARLAND
Covered Official Position (if applicable): N/A
Name: CORLEY, SCOTT
Covered Official Position (if applicable): N/A
Name: GELMAN, MATT
Covered Official Position (if applicable): N/A
Name: HOUTON, JAMES
Covered Official Position (if applicable): N/A
Name: INGLE, ED
Covered Official Position (if applicable): N/A
Name: KRUMHOLTZ, JACK
Covered Official Position (if applicable): N/A
Name: SAMPSON, JOHN
Covered Official Position (if applicable): N/A
Name: TIPSON, FRED
Covered Official Position (if applicable): N/A
Name: TORRES, FRANK
Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

Registrant Name: MICROSOFT CORP Client Name: Self

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Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: IMM (one per page)

16. Specific lobbying issues:

H-1B visas, J visas, L-1 visas, and employment based visas. Program Electronic Review Management System (PERM) regulations. Deficit Reduction Omnibus Reconciliation Act of 2005. S 2611, Comprehensive Immigration Reform Act of 2006.

17. House(s) of Congress and Federal agencies contacted:

Commerce, Dept of (DOC)
Executive Office of the President (EOP)
HOUSE OF REPRESENTATIVES
Labor, Dept of (DOL)
SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: BUCKNER, MARLAND
Covered Official Position (if applicable): N/A
Name: CORLEY, SCOTT
Covered Official Position (if applicable): N/A
Name: GELMAN, MATT
Covered Official Position (if applicable): N/A
Name: HOUTON, JAMES
Covered Official Position (if applicable): N/A
Name: INGLE, ED
Covered Official Position (if applicable): N/A
Name: KRUMHOLTZ, JACK
Covered Official Position (if applicable): N/A
Name: PASSMAN, PAMELA
Covered Official Position (if applicable): N/A
Name: SAMPSON, JOHN
Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

Registrant Name: MICROSOFT CORP Client Name: Self

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15. General issue area code: SCI (one per page)

16. Specific lobbying issues:

HR 28, High-Performance Computing Revitalization Act of 2005. HR 2862, Science, State, Justice, Commerce, and Related Agencies Appropriations Act of 2006. American Competitiveness Initiative

17. House(s) of Congress and Federal agencies contacted:

Commerce, Dept of (DOC)
Energy, Dept of
Executive Office of the President (EOP)
HOUSE OF REPRESENTATIVES
Nat'l Science Foundation (NSF)
SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: BRADY, BETSY
Covered Official Position (if applicable): N/A
Name: CORLEY, SCOTT
Covered Official Position (if applicable): N/A
Name: GELMAN, MATT
Covered Official Position (if applicable): N/A
Name: GOODWIN, CRISTIN
Covered Official Position (if applicable): N/A
Name: HOUTON, JAMES
Covered Official Position (if applicable): N/A
Name: INGLE, ED
Covered Official Position (if applicable): N/A
Name: KRUMHOLTZ, JACK
Covered Official Position (if applicable): N/A
Name: SAMPSON, JOHN
Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

Registrant Name: MICROSOFT CORP Client Name: Self

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Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: TAX (one per page)

16. Specific lobbying issues:

S 2720, Research Competitiveness Act of 2006 HR 1956, Business Activity Tax Simplification Act of 2005 S 2721, Business Activity Tax Simplification Act of 2006 HR 2471, Economic Development Act of 2005 S 1066, Economic Development Act of 2005 S 2152, Sales Tax Fairness and Simplification Act S 2153, Streamlined Sales Tax Simplification Act HR 2830, The Pension Protection Act of 2005 HR 2830, The Pension Security and Transparency Act of 2005 Transfer pricing, treaty, and tax reform issues HR 6167, Mobile Workforce State Income Tax Fairness and Simplification Act of 2006 HR 6288, International Tax Simplification Act of 2006 IRC Section 199 Guidance IRS Notice 2006-34 HR 1736, Investment in America Act of 2005 S 627, Investment in America Act of 2005 HR 6111 and HR 6408, Tax Relief and Health Care Act of 2006 HR 4, Pension Protection Act of 2006

17. House(s) of Congress and Federal agencies contacted:

Commerce, Dept of (DOC)
HOUSE OF REPRESENTATIVES
SENATE
State, Dept of (DOS)
Treasury, Dept of
U.S. Trade Representative (USTR)

18. Name of each individual who acted as a lobbyist in this issue area:

Name: BUCKNER, MARLAND
Covered Official Position (if applicable): N/A
Name: CORLEY, SCOTT
Covered Official Position (if applicable): N/A
Name: HOUTON, JAMES
Covered Official Position (if applicable): N/A
Name: INGLE, ED
Covered Official Position (if applicable): N/A
Name: KRUMHOLTZ, JACK
Covered Official Position (if applicable): N/A
Name: ROESSER, TOM
Covered Official Position (if applicable): N/A
Name: SAMPLE, BILL
Covered Official Position (if applicable): N/A
Name: SAMPSON, JOHN
Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

Registrant Name: MICROSOFT CORP Client Name: Self

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Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: TEC (one per page)

16. Specific lobbying issues:

S 2327, Wireless Innovation Act of 2006. S 2332, American Broadband for Communities Act. HR 5085, American Broadband for Communities Act. S 1063, IP Enabled Voice Communications and Public Safety Act of 2005. S 1504, Broadband Investment and Consumer Choice Act. HR 5273, Network Neutrality Act of 2006. S 2917, Internet Freedom Preservation Act. HR 5417, Internet Freedom and Nondiscrimination Act of 2006. S 1268, Save Lives Act. HR 4861, Audio Broadcast Licensing Act of 2006. HR 4709, Telephone Records and Privacy Protection Act of 2006. CALEA - Communications Assistance for Law Enforcement Act. HR 214, Advanced Internet Communications Services Act of 2005. HR 2418, IP-Enabled Voice Communications and Public Safety Act of 2005. HR 5252, Communications Opportunity, Promotion, and Enhancement Act of 2006. S 2686, Communications, Consumers Choice, and Broadband Deployment Act of 2006.

17. House(s) of Congress and Federal agencies contacted:

Commerce, Dept of (DOC)
Executive Office of the President (EOP)
Federal Communications Commission (FCC)
State, Dept of (DOS)

18. Name of each individual who acted as a lobbyist in this issue area:

Name: BEREJKA, MARC
Covered Official Position (if applicable): N/A
Name: BOYD, PAULA
Covered Official Position (if applicable): N/A
Name: BRADY, BETSY
Covered Official Position (if applicable): N/A
Name: CORLEY, SCOTT
Covered Official Position (if applicable): N/A
Name: GELMAN, MATT
Covered Official Position (if applicable): N/A
Name: HOUTON, JAMES
Covered Official Position (if applicable): N/A
Name: INGLE, ED
Covered Official Position (if applicable): N/A
Name: KRUMHOLTZ, JACK
Covered Official Position (if applicable): N/A
Name: SAMPSON, JOHN
Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

Registrant Name: MICROSOFT CORP Client Name: Self

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Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: TRD (one per page)

16. Specific lobbying issues:

HR 4780, Global Online Freedom Act of 2006, Agenda for further negotiations in Doha Development Round on WTO talks, European Commission investigation of competition in the software industry, Korean Fair Trade Commission's investigation of competition in the software industry, Russia WTO accession, Vietnam PNTR and WTO accession, Special 301, Intellectual property provisions of free trade agreements, Software piracy, competition, procurement, and market access issues in China, Interpretation and application of the WTO Agreement on Trade-Related Aspects of Intellectual Property.

17. House(s) of Congress and Federal agencies contacted:

Commerce, Dept of (DOC)
Executive Office of the President (EOP)
Federal Trade Commission (FTC)
HOUSE OF REPRESENTATIVES
Justice, Dept of (DOJ)
Patent & Trademark Office (PTO)
SENATE
State, Dept of (DOS)
Treasury, Dept of
U.S. Copyright Office
U.S. Trade Representative (USTR)

18. Name of each individual who acted as a lobbyist in this issue area:

Name: BRADY, BETSY
Covered Official Position (if applicable): N/A
Name: BUCKNER, MARLAND
Covered Official Position (if applicable): N/A
Name: CORLEY, SCOTT
Covered Official Position (if applicable): N/A
Name: GELMAN, MATT
Covered Official Position (if applicable): N/A
Name: HOUTON, JAMES
Covered Official Position (if applicable): N/A
Name: INGLE, ED
Covered Official Position (if applicable): N/A
Name: KRUMHOLTZ, JACK
Covered Official Position (if applicable): N/A
Name: MANN, SUSAN
Covered Official Position (if applicable): N/A
Name: PASSMAN, PAMELA
Covered Official Position (if applicable): N/A
Name: SAMPSON, JOHN
Covered Official Position (if applicable): N/A
Name: TIPSON, FRED
Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above. **None**

Signature: ON FILE Date: Feb 13, 2007

Printed Name and Title: JACK KRUMHOLTZ - MANAGING DIRECTOR OF FEDERAL GOVE -