

ASHLAND INC.
Form 4
July 19, 2007

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

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(Print or Type Responses)

1. Name and Address of Reporting Person *
ESLER SUSAN B

(Last) (First) (Middle)

50 E. RIVERCENTER
BOULEVARD

(Street)

COVINGTON, KY 41012-0391

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
ASHLAND INC. [ASH]

3. Date of Earliest Transaction
(Month/Day/Year)
07/17/2007

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) Vice President

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)
Common Stock	07/17/2007		A ⁽¹⁾	1,050 A \$ 0	2,537	D	
Common Stock	07/17/2007		F ⁽²⁾	489 D \$ 65.12	2,048	D	
Restricted Stock	07/17/2007		J ⁽³⁾	1,050 D \$ 0	900	D	
Common Stock					3 ⁽⁴⁾	I	401(K)

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

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(9-02)

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. Price of Derivative Security (Instr. 5)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Common Stock Units	\$ 0	07/17/2007		J ⁽⁵⁾	118	⁽⁵⁾	⁽⁵⁾	Common Stock	118	\$ 65.1

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
ESLER SUSAN B 50 E. RIVERCENTER BOULEVARD COVINGTON, KY 41012-0391	Vice President

Signatures

David B. Mattingly,
Attorney-in-Fact 07/19/2007

__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).

- (5) Payment of tax liability by withholding incident to the receipt of the vesting of Common Stock Units acquired pursuant to Ashland's Stock Incentive Plan as of 7/17/07, and exempt under Rule 16b-3(e). (One (1) Common Stock Unit in the Deferred Compensation Plan is the equivalent of one (1) share of Ashland Common Stock.)
- (2) Payment of tax liability by withholding incident to the receipt of the vesting of shares of Restricted Common Stock acquired pursuant to Ashland's stock incentive plans as approved by the shareholders and exempt pursuant to Rule 16b-3.
- (3) Reflects the lapsing of restrictions on Restricted Common Stock acquired pursuant to Ashland's stock incentive plans as approved by the shareholders and exempt pursuant to Rule 16b-3.

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- (4) Based on Employee Savings Plan information as of 7-17-07, the latest date for which such information is reasonably available.
- (1) Common Stock acquired pursuant to the lapsing of the restrictions on Restricted Common Stock acquired pursuant to Ashland's Stock Incentive Plans as approved by the shareholders and exempt pursuant to Rule 16b-3.

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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