

J C PENNEY CO INC

Form 4

March 14, 2008

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

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
Nealon Thomas M

(Last) (First) (Middle)

C/O J. C. PENNEY COMPANY,
INC., 6501 LEGACY DRIVE

(Street)

PLANO, TX 75024

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
J C PENNEY CO INC [JCP]

3. Date of Earliest Transaction
(Month/Day/Year)
03/12/2008

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)

EVP, Chief Information Officer

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 of 50 cent Par Value	03/12/2008		A	4,713 (1)	A \$ 0 29,779.2946 (3)	D	
Common Stock of 50 cent Par Value	03/12/2008		A	12,569 (2)	A \$ 0 42,348.2946 (3)	D	

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

**Persons who respond to the collection of
information contained in this form are not**

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(9-02)

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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)	Amount or Number of Shares
Employee stock option/Right to Buy	\$ 39.78	03/12/2008		A	26,978 (4)	(4) 03/11/2018	Common Stock	26,978

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
Nealon Thomas M C/O J. C. PENNEY COMPANY, INC. 6501 LEGACY DRIVE PLANO, TX 75024	EVP, Chief Information Officer

Signatures

***s/ Salil R. Virkar, attorney
in fact 03/14/2008

__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) Represents restricted stock units granted under the Company's 2005 Equity Compensation Plan. The restricted stock units will vest one-third on March 12, 2009, March 12, 2010 and March 12, 2011, respectively.
- (2) Represents restricted stock units granted under the Company's 2005 Equity Compensation Plan. The restricted stock units will vest 100% on March 12, 2011.
- (3) Includes 197,989 restricted stock units acquired since April 2, 2007 pursuant to dividend equivalents on restricted stock unit awards. Dividend equivalents on restricted stock unit awards accrue on a quarterly basis, exempt under Rule 16a-11.
- (4) Represents grant of employee stock options under the Company's 2005 Equity Compensation Plan which vest one-third on March 12, 2009, one-third on March 12, 2010, and one-third on March 12, 2011.

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- (5) Represents current grant of stock options. Including the reported grant, Mr. Nealon beneficially owns an aggregate of 43,351 stock options at various exercise prices.

Remarks:

*** Under continuing POA as filed with the SEC

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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