

TOLL ROBERT I
Form 4
October 24, 2006

FORM 4

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

OMB APPROVAL

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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 *
TOLL ROBERT I

2. Issuer Name and Ticker or Trading Symbol
TOLL BROTHERS INC [TOL]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
10/23/2006

Director 10% Owner
 Officer (give title below) Other (specify below)

Chief Executive Officer

250 GIBRALTAR ROAD

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

HORSHAM, PA 19044

(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)
Common Stock	10/23/2006		M	44,974 A	\$ 0 15,989,164	D	
Common Stock					2,586	I	401(k) Plan
Common Stock					157,011	I	By GRAT-Expires October, 2007
Common Stock					12,248	I	By GRAT-Expires September, 2007

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Common Stock	2,790,714	I	Entities wholly owned by reporting person
Common Stock	328,420 ⁽¹⁾	I	Partnership
Common Stock	48,790 ⁽²⁾	I	Trusts

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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Phantom Stock	\$ 0					12/12/2004 12/12/2004	Common Stock 471,099
Phantom Stock	\$ 0	10/23/2006		M	44,974	10/23/2006 10/22/2004	Common Stock 44,974
Stock Options (Right to buy)	\$ 4.375					12/20/1999 12/20/2009	Common Stock 3,000,000
Stock Options (Right to buy)	\$ 4.875					03/14/1997 03/14/2007	Common Stock 170,000
Stock Options (Right to buy)	\$ 5.5782					12/30/1998 12/30/2008	Common Stock 190,000
Stock Options (Right to buy)	\$ 5.7188					12/20/1999 12/20/2008	Common Stock 1,000,000

buy)

Stock

Options
(Right to
buy)

\$ 5.7657

11/03/1998

11/03/2007

Common
Stock

200,000

Stock

Options
(Right to
buy)

\$ 6

11/02/1999

11/02/2008

Common
Stock

200,000

Stock

Options
(Right to
buy)

\$ 6.8594

12/30/1997

12/30/2007

Common
Stock

960,000

Stock

Options
(Right to
buy)

\$ 7.375

03/13/1998

03/13/2008

Common
Stock

250,000

Stock

Options
(Right to
buy)

\$ 9.6563

12/20/2001

12/20/2010

Common
Stock

1,000,000

Stock

Options
(Right to
buy)

\$ 10.525

12/20/2003

12/20/2012

Common
Stock

500,000

Stock

Options
(Right to
buy)

\$ 10.88

12/20/2002

12/20/2011

Common
Stock

1,000,000

Stock

Options
(Right to
buy)

\$ 20.135

12/20/2004

12/20/2013

Common
Stock

500,000

Stock

Options
(Right to
buy)

\$ 32.55

12/20/2005

12/20/2014

Common
Stock

500,000

Stock

Options
(Right to
buy)

\$ 35.97

12/20/2006

12/20/2015

Common
Stock

250,000

Reporting Owners

Reporting Owner Name / Address

Relationships

Reporting Owners

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	Director	10% Owner	Officer	Other
TOLL ROBERT I 250 GIBRALTAR ROAD HORSHAM, PA 19044	X	X	Chief Executive Officer	

Signatures

Kathryn G.
Flanagan, Attorney-in-Fact
Date: 10/24/2006

__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).
- (4) The exercisable date and expiration date of the remaining balance is 10/22/2006.
- (3) The exercisable date and the expiration date of the remaining balance is 12/16/2006.
- (1) By a partnership of which trusts f/b/o the reporting person's children are the sole partners. The reporting person's spouse is co-trustee of such trusts.
- (2) By trusts f/b/o the reporting person's children and grandchildren. The reporting person's spouse is a co-trustee of such trusts.

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.