

FORM 5

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).

Form 3 Holdings Reported.

Form 4 Transactions Reported.

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0362
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1. Name and Address of Reporting Person* <u>BURNS URSULA M</u> (Last) (First) (Middle) <u>800 LONG RIDGE ROAD</u> <u>P. O. 1600</u> (Street) <u>STAMFORD</u> <u>06904</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>XEROX CORP [XRX]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Senior Vice President</u>
	3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year) <u>12/31/2003</u>	

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 at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				Amount	(A) or (D)	Price			
Common Stock							128,524	D	
Common Stock							500	I	children
Incentive Stock Rights							108,800	D	
Xerox Stock Fund	12/31/2003		J ⁽¹⁾	507.483	A	\$0.00	10,214.177	I	Xerox Stock Fund

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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
					(A)	(D)	Date Exercisable	Expiration Date					
Stock Option	\$4.75						01/01/2002 ⁽²⁾	12/31/2010	Common Stock	149,600	149,600	D	
Stock Option	\$5.14						10/14/2007	12/31/2011	Common Stock	100,000	100,000	D	
Stock Option	\$7.885						01/01/2004 ⁽²⁾	12/31/2012	Common Stock	280,400	280,400	D	
Stock Option	\$10.365						01/01/2003 ⁽²⁾	12/31/2011	Common Stock	149,600	149,600	D	
Stock Option	\$21.7812						01/01/2005	12/31/2009	Common Stock	40,000	40,000	D	
Stock Option	\$36.7032						01/01/1999 ⁽³⁾	12/31/2005	Common Stock	35,658	35,658	D	
Stock Option	\$46.875						01/01/1999 ⁽³⁾	12/31/2008	Common Stock	15,282	15,282	D	
Stock Option	\$47.5						03/01/2003	12/31/2009	Common Stock	5,625	5,625	D	
Stock Option	\$59.4375						01/01/2000 ⁽²⁾	12/31/2006	Common Stock	630	630	D	

Explanation of Responses:

- Units purchased in and loan repayments to Xerox Stock Fund under Xerox Savings Plan. Amount does not represent shares of stock, but dollars invested divided by unit value.
- Options vest over three years, 33.3% per year beginning in year shown.
- Options vest over three years, 33%, 33%, 34%, beginning in year shown.

K. W. Fizer, Attorney-In-Fact 02/05/2004

** Signature of Reporting Person Date

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

* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.

POWER OF ATTORNEY

The undersigned hereby authorizes each of L. F. Varon, K. W. Fizer and S. K. Lee, with full power to act alone, to file one or more beneficial ownership reports on behalf of the undersigned disclosing the undersigned's beneficial ownership of securities of Xerox Corporation, and amendments thereto, pursuant to the requirements of the Securities Exchange Act of 1934, as amended, which reports and amendments shall contain such information as either L. F. Varon, K. W. Fizer or S. K. Lee deems appropriate. The undersigned hereby appoints each of L. F. Varon, K. W. Fizer and S. K. Lee as attorneys-in-fact, with full powers to act alone, to execute such Forms and any and all amendments thereto in the name and on behalf of the undersigned and to file with the Securities and Exchange Commission a form of this Power of Attorney, hereby granting to said attorneys, and each of them, full power and authority to do and perform each and every act and thing whatsoever that said attorney or attorneys may deem necessary or advisable to carry out fully the intent of the foregoing as the undersigned might or could do personally.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney as of the 26th day of January 2004.
/s/Ursula M. Burns