TOLL ROBERT I
Form 4
October 24, 2006

FORM 4

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

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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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *
TOLL ROBERT I

(Last) (First) (Middle)

250 GIBRALTAR ROAD

(Street)

HORSHAM, PA 19044

(City) (State) (Zip)

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

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

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

__X__ Director
__X__ Officer (give title below)
Chief Executive Officer
__X__ 10% Owner
_____ Other (specify below)

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)
			Code	V	Amount	(A) or (D)	Price			
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

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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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	471,09
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	3,000,00
Stock Options (Right to buy)	$ 4.875							03/14/1997	03/14/2007	Common Stock	170,00
Stock Options (Right to buy)	$ 5.5782							12/30/1998	12/30/2008	Common Stock	190,00
Stock Options (Right to	$ 5.7188							12/20/1999	12/20/2008	Common Stock	1,000,00

buy)					
Stock Options (Right to buy)	$ 5.7657	11/03/1998	11/03/2007	Common Stock	200,00
Stock Options (Right to buy)	$ 6	11/02/1999	11/02/2008	Common Stock	200,00
Stock Options (Right to buy)	$ 6.8594	12/30/1997	12/30/2007	Common Stock	960,00
Stock Options (Right to buy)	$ 7.375	03/13/1998	03/13/2008	Common Stock	250,00
Stock Options (Right to buy)	$ 9.6563	12/20/2001	12/20/2010	Common Stock	1,000,0
Stock Options (Right to buy)	$ 10.525	12/20/2003	12/20/2012	Common Stock	500,00
Stock Options (Right to buy)	$ 10.88	12/20/2002	12/20/2011	Common Stock	1,000,0
Stock Options (Right to buy)	$ 20.135	12/20/2004	12/20/2013	Common Stock	500,00
Stock Options (Right to buy)	$ 32.55	12/20/2005	12/20/2014	Common Stock	500,00
Stock Options (Right to buy)	$ 35.97	12/20/2006	12/20/2015	Common Stock	250,00

Reporting Owners

Reporting Owner Name / Address	Relationships

	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	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.
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