

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

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	
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1. Name and Address of Reporting Person* TUCKER DWAYNE H (Last) (First) (Middle) 17655 WATERVIEW PARKWAY (Street) DALLAS TX 75252-8012 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol ALLIANCE DATA SYSTEMS CORP [ADS]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input checked="" type="checkbox"/> Other (specify below) Executive Vice President / President Transaction Services
	3. Date of Earliest Transaction (Month/Day/Year) 03/31/2005	
		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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	03/31/2005		A ⁽¹⁾		1,667	A	(1)	63,779	D	
Common Stock	03/31/2005		A ⁽²⁾		1,667	A	(2)	65,446	D	
Common Stock	03/31/2005		A ⁽³⁾		7,000	A	(3)	72,446	D	
Common Stock	03/31/2005		A ⁽⁴⁾		3,000	A	(4)	75,446	D	
Common Stock	04/01/2005		M ⁽⁵⁾		32,197	A	\$15	107,643	D	
Common Stock	04/01/2005		s ⁽⁵⁾		32,197	D	\$42	75,446 ⁽⁶⁾	D	

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)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Employee Stock Option (Right to Buy)	\$40.82	03/31/2005		A ⁽⁷⁾		4,604		(7)	03/31/2015	Common Stock	4,604	(7)	164,382	D	
Employee Stock Option (Right to Buy)	\$15	04/01/2005		M ⁽⁵⁾		32,197		(8)	08/31/2010	Common Stock	32,197	(8)	132,185 ⁽⁹⁾	D	

Explanation of Responses:

- The new grant is for 1,667 shares of performance-based restricted stock, which may be adjusted up or down at the time the restrictions lapse. The restrictions may lapse based on the performance of the Company relative to the S&P 500 measured as of 12/31/05.
- The new grant is for 1,667 shares of time-based restricted stock. The restrictions will lapse on 550 shares on each of 2/3/06 and 2/3/07, and on 567 shares on 2/3/08.
- The new grant is for 7,000 shares of performance-based restricted stock. The restrictions on 100% of the shares may lapse on 3/31/07 if certain performance standards are met.
- The new grant is for 3,000 shares of time-based restricted stock. The restrictions on 100% of the shares will lapse on 3/31/07.
- The sale reported in this Form 4 was effected pursuant to a Rule 10b5-1 trading plan adopted by the Reporting Person on February 11, 2005. The trading plan was established to sell up to 69,491 shares of the Company's common stock. Portions of the shares may be sold on specified dates or any time the stock achieves certain pre-arranged minimum prices and may take place beginning on February 14, 2005 and ending on April 14, 2005, unless sooner terminated. The Reporting Person will have no control over the timing of any sales under the plan and there can be no assurance that the shares covered by the plan actually will be sold. The Reporting Person entered into the plan for personal tax and financial planning purposes and will continue to have a significant ownership interest in the Company.
- The total amount of securities beneficially owned includes: (a) 1,318 shares acquired through the Company employee stock purchase program; (b) 31,230 shares acquired by the exercising of vested employee stock options; (c) 5,893 shares of performance-based restricted stock granted 2/3/05, of which 0 shares are vested; (d) 5,893 shares of time-based restricted stock granted 2/3/05, of which 0 shares are vested; (e) 17,778 shares of time-based restricted stock granted 2/3/05, of which 0 shares are vested; (f) the new grant for 1,667 shares of performance-based restricted stock; (g) the new grant for 1,667 shares of time-based restricted stock; (h) the new grant for 7,000 shares of performance-based restricted stock; and (i) the new grant for 3,000 shares of time-based restricted stock.
- The new option is for 4,604 shares, of which 1,519 shares will vest on each of 2/3/06 and 2/3/07 and 1,566 shares will vest on 2/3/08.
- This is an employee stock option grant that is fully vested.
- The total number of derivative securities beneficially owned includes: (a) an option for 44,357 out of an original 115,000 shares granted 9/1/00, which is fully vested; (b) an option for 1 out of an original 81,917 shares granted 6/8/01, which is fully vested; (c) an option for 33,171 shares granted 6/24/03, of which 10,946 shares vested on 6/23/04, 10,946 shares will vest on 6/23/05, and 11,279 shares will vest on 6/23/06; (d) an option for 33,682 shares granted 2/2/04, of which 11,115 shares vested on 2/2/05, 11,115 shares will vest on 2/2/06 and 11,452 shares will vest on 2/2/07; (e) an option for 16,370 shares granted 2/3/05, of which 5,402 shares will vest on each of 2/3/06 and 2/3/07 and 5,566 shares will vest on 2/3/08; and (f) the new option for 4,604 shares.

Remarks:

Leigh Ann K. Epperson,
Attorney in Fact

04/04/2005

** 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.

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