

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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).

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

1. Name and Address of Reporting Person* FINKELMAN DANIEL P (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 Officer (give title below) <input checked="" type="checkbox"/> Other (specify below) former officer
	3. Date of Earliest Transaction (Month/Day/Year) 07/16/2007	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

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	07/16/2007		F ⁽¹⁾		3,109	D	\$77.67	39,470 ⁽²⁾	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					

Explanation of Responses:

1. 3,109 shares were withheld by the Company to satisfy the Reporting Person's tax withholding obligation upon the vesting of restricted stock.
 2. The total amount of securities beneficially owned includes: (a) 2,500 shares purchased in 2001; (b) 1,091 shares of restricted stock granted 6/24/03, which are fully vested; (c) 621 shares of restricted stock granted 7/1/04, which are fully vested; (d) 4,391 out of an original 7,500 shares of restricted stock granted 7/14/04, which are fully vested; (e) 3,424 out of an original 4,995 shares of performance-based restricted stock granted 2/3/05, which are fully vested; (f) 3,369 out of an original 4,420 shares of time-based restricted stock granted 2/3/05, of which 1,866 shares are vested; (g) 7,514 out of an original 10,964 performance-based restricted stock units granted 2/13/06, which are fully vested; (h) 4,913 out of an original 5,482 time-based restricted stock units granted 2/13/06, of which 1,240 shares are vested; (i) 3,494 performance-based restricted stock units granted 2/21/07, of which 0 shares are vested; (continued below)

Remarks:

(2) continued from above: (j) 3,494 time-based restricted stock units granted 2/21/07, of which 0 shares are vested; and (k) 4,659 performance-based restricted stock units granted 2/21/07, of which 0 shares are vested. Effective as of 7/6/07, the Reporting Person is no longer subject to Section 16.

Leigh Ann K. Epperson, 07/18/2007
Attorney in Fact Date

** 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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