

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* BELTZ MICHAEL A (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 Utility Services
	3. Date of Earliest Transaction (Month/Day/Year) 02/27/2004	
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	02/27/2004		S		7,604 ⁽¹⁾	D	\$29.91	68,841	D	
Common Stock	02/27/2004		M		3,055	A	\$9	71,896	D	
Common Stock	02/27/2004		M		9,722	A	\$9	81,618	D	
Common Stock	02/27/2004		M		1,262	A	\$9.9	82,880	D	
Common Stock	02/27/2004		M		5,554	A	\$9.9	88,434	D	
Common Stock	02/27/2004		M		3,001	A	\$15	91,435 ⁽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						Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$9	02/27/2004		M		3,055	(3)	05/05/2007		Common Stock	3,055	\$9	275,077	D	
Employee Stock Option (Right to Buy)	\$9	02/27/2004		M		9,722	(3)	07/24/2008		Common Stock	9,722	\$9	265,355	D	
Employee Stock Option (Right to Buy)	\$9.9	02/27/2004		M		1,262	(3)	12/01/2008		Common Stock	1,262	\$9.9	264,093	D	
Employee Stock Option (Right to Buy)	\$9.9	02/27/2004		M		5,554	(3)	05/07/2009		Common Stock	5,554	\$9.9	258,539	D	
Employee Stock Option (Right to Buy)	\$15	02/27/2004		M		3,001	(3)	09/01/2010		Common Stock	3,001	\$15	255,538 ⁽⁴⁾	D	

Explanation of Responses:

- 7,604 shares have been delivered to the Company in payment of the exercise price of 22,594 employee stock options.
- The total number of securities beneficially owned includes: (a) 1,875 shares acquired through the Company employee stock purchase program; (b) 56,379 shares acquired by the exercising of vested employee stock options; (c) 1,000 shares purchased on the open market; (d) 21,000 out of an original 35,000 shares of restricted stock granted 9/1/00, of which 7,000 shares are vested; (e) 6,277 shares of performance-based restricted stock granted 6/24/03, all of which are vested; and (f) 4,904 shares of performance-based restricted stock granted 2/2/04, of which 0 shares are vested.
- This is an employee stock option grant that is fully vested.

4. The total number of derivative securities beneficially owned includes: (a) an employee stock option for 29,166 shares granted 7/24/98, which is fully vested; (b) an employee stock option for 26,515 shares granted 12/1/98, which is fully vested; (c) an employee stock option for 16,668 shares granted 5/7/99, which is fully vested; (d) an employee stock option for 76,999 shares granted 9/1/00, which is fully vested; (e) an employee stock option for 38,048 shares granted 6/7/01, which is fully vested, (f) an employee stock option for 35,723 shares granted 6/24/03, of which 11,789 shares will vest on each of 6/23/04 and 6/23/05 and 12,145 shares will vest on 6/23/06; and (g) an employee stock option for 32,419 shares, of which 10,698 shares will vest on each of 2/2/05 and 2/2/06 and 11,023 shares will vest on 2/2/07.

Remarks:

Leigh Ann K. Epperson,
Attorney in Fact

03/01/2004

** 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.

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