

**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	
OMB Number:	3235-0287
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1. Name and Address of Reporting Person* <u>FARRELL W JAMES</u>  (Last) (First) (Middle) <u>C/O THE ALLSTATE CORPORATION</u> <u>2775 SANDERS ROAD</u>  (Street) <u>NORTHBROOK IL 60062-6127</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>ALLSTATE CORP [ ALL ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner  Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>07/27/2005</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> 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	07/27/2005		M		3,000	A	\$36.47	3,851	D	
Common Stock	07/27/2005		M		3,000	A	\$27.44	6,851	D	
Common Stock	07/27/2005		F <sup>(1)</sup>		1,767	D	\$61.9	5,084	D	
Common Stock	07/27/2005		F <sup>(1)</sup>		1,329	D	\$61.9	3,755	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	Amount or Number of Shares				
Non-Employee Director Stock Option (right to buy)	\$27.44	07/27/2005		M		3,000		06/01/2001	06/01/2010	Common Stock	3,000	\$61.9	0	D	
Non-Employee Director Stock Option (right to buy)	\$36.47	07/27/2005		M		3,000		06/01/2000	06/01/2009	Common Stock	3,000	\$61.9	0	D	
Non-Employee Director Stock Option (right to buy)	\$61.9	07/27/2005		A		1,767		07/27/2006 <sup>(2)</sup>	06/01/2009	Common Stock	1,767	\$0	1,767	D	
Non-Employee Director Stock Option (right to buy)	\$61.9	07/27/2005		A		1,329		07/27/2006 <sup>(2)</sup>	06/01/2010	Common Stock	1,329	\$0	1,329	D	

**Explanation of Responses:**

1. Payment of exercise price by withholding securities incident to the exercise of a security issued in accordance with Rule 16b-3.
2. The option vests in three equal increments, July 27, 2006, July 27, 2007 and July 27, 2008.

Katherine A. Smith for W. James Farrell

07/29/2005

\*\* 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.

**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.**