

FORM 10-Q/A

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

Quarterly Report Under Section 13 or 15(d) of  
the Securities Exchange Act of 1934

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the quarterly period ended August 31, 1996  
-----  
OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_  
-----

For Quarter Ended August 31, 1996 Commission file number 0-11330  
-----

PAYCHEX, INC.

-----  
(Exact name of registrant as specified in its charter)

DELAWARE

16-1124166

-----  
(State or other jurisdiction of  
incorporation or organization)

-----  
(I.R.S. Employer  
Identification No.)

911 PANORAMA TRAIL SOUTH, ROCHESTER, NEW YORK 14625-0397

-----  
(Address of principal executive offices) (Zip Code)

(Registrant's telephone number, including area code) (716)385-6666  
-----

-----  
(Former name, former address and former fiscal year, if  
changed since last report.)

Indicate by check mark whether the registrant (1) has filed all reports  
required to be filed by Section 13 or 15(d) of the Securities Exchange Act of  
1934 during the preceding 12 months (or for such shorter period that the  
registrant was required to file such reports), and (2) has been subject to  
such filing requirements for the past 90 days. YES  . NO  .  
-----

CLASS

OUTSTANDING AT AUGUST 31, 1996

-----  
(Common Stock, \$.01 Par Value)

-----  
(71,632,456 Shares)

Part II - Other Information

Paychex, Inc. and Subsidiaries

Item 1. Legal Proceedings

On October 14, 1996, RADC Corporation (RADC) served a summons and complaint  
against Paychex, Inc. (Paychex) in the Illinois circuit Court for the 18th  
Judicial District, DuPage County. RADC is a motor transport company which  
contracted to deliver payrolls to Paychex' clients at an agreed upon price in  
the Greater Chicago area. Paychex terminated the relationship in February,  
1996. Subsequently, RADC claimed that its delivery rates charged for Paychex'  
shipments were governed by tariffs filed with the Illinois Commerce  
Commission. RADC alleges that, although it received the price agreed upon,  
Paychex owes it the difference between the allegedly applicable tariff rates  
and the amounts previously invoiced by RADC and paid timely by Paychex.  
Originally RADC demanded approximately \$2.5 million for the last three years.  
When Paychex refused, RADC filed this action claiming an aggregate of  
approximately \$23 million for the past 15 years. Paychex believes the claim  
is totally without merit and intends to move to dismiss the case.

SIGNATURES  
-----

REGISTRANT HAS DULY CAUSED THIS REPORT TO BE SIGNED ON ITS BEHALF BY THE  
UNDERSIGNED THEREUNTO DULY AUTHORIZED.

PAYCHEX, INC. AND SUBSIDIARIES

DATE: OCTOBER 30, 1996

/s/ B. THOMAS GOLISANO  
-----

B. THOMAS GOLISANO  
CHAIRMAN, PRESIDENT AND CHIEF  
EXECUTIVE OFFICER

DATE: OCTOBER 30, 1996

/s/ JOHN M. MORPHY  
-----

JOHN MORPHY  
CHIEF FINANCIAL OFFICER  
AND SECRETARY