

SECURITIES AND
EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of
The Securities Act of 1934

Date of Report (Date of earliest event reported):
September 30, 1996

PAYCHEX, INC.
(Exact name of Registrant as specified in its charter)

Delaware	0-11330	16-1123166
(State or other jurisdiction of incorporation)	(Commission File No.)	I.R.S. Employer Identification No.)
911 Panorama Trail South	Rochester, New York	14625
(Address of Principal Executive Offices)		

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

N/A

(Former name or former address, if changed, since last report)
ITEM 5. OTHER EVENTS

On August 26, 1996, Paychex, Inc. merged with National Business Solutions, Inc. (NBS), now Paychex Business Solutions, Inc. (PBS) in a business combination accounted for as a pooling of interests. The stockholders of NBS received 2,934,496 shares of Paychex, Inc. common stock. The following financial data represents year to date combined financial results which include at least 30 days of post-merger combined operations.

Paychex, Inc. and Subsidiaries - Consolidated Statements of Income
(in thousands, except per share amounts)

<TABLE>
<CAPTION>

	Four Months Ended September 30,	
	1996	1995
<S>	<C>	<C>
Payroll Revenue	\$116,991	\$100,066
PEO Revenue	102,124	64,095
Total Revenue	<u>219,115</u>	<u>164,161</u>
PEO Direct Costs	98,992	61,824
Operating Costs	34,814	30,824
Selling, Gen & Admin Exp	56,681	50,368
Operating Income	<u>28,628</u>	<u>21,145</u>
Other Income	2,028	1,846
Income Before Income Taxes	<u>30,656</u>	<u>22,991</u>
Income Taxes	8,461	6,350
Net Income	<u>\$ 22,195</u>	<u>\$ 16,641</u>
Earnings Per share	\$.31	\$.23*
Cash Dividends Per Share	\$.06	\$.04*
Weighted Average Shares Outstanding	71,669	71,045*

</TABLE>

* Adjusted for a three-for-two stock split in May, 1996.
Paychex, Inc. and Subsidiaries - Market Segment Information

(in thousands)

The Company operates in two major segments, Payroll and Professional Employer Organization (PEO). The Payroll segment is engaged in the preparation of payroll checks, internal accounting records and all Federal, State and Local payroll tax returns for small to medium-sized businesses. The Payroll segment also includes employee handbooks, section 125 plans and 401(k) recordkeeping services. The PEO segment specializes in providing small and medium-sized businesses with cost-effective outsourcing solutions for their employee benefits. As an outsourcing solution, the PEO relieves the business owner of human resources administration, employment regulatory compliance, workers' compensation coverage, health care and other employee related responsibilities. Consistent with PEO industry practice, revenue includes all amounts billed to clients for the services provided by the PEO.

<TABLE>

<CAPTION>

	Four Months Ended September 30,	
	1996	1995
<S>	<C>	<C>
Revenue		
Payroll	\$116,991	\$100,066
PEO	102,124	64,095
Total Revenue	<u>219,115</u>	<u>164,161</u>
PEO Direct Costs	<u>98,992</u>	<u>61,824</u>
Revenue Less PEO Direct Costs	120,123	102,337
Operating Costs		
Payroll	33,078	29,486
PEO	1,736	1,338
Total Operating Costs	<u>34,814</u>	<u>30,824</u>
Selling, General and Admin		
Payroll	54,234	48,497
PEO	311	232
Total Selling, General and Admin	<u>54,545</u>	<u>48,729</u>
Operating Income		
Payroll	29,679	22,083
PEO	1,085	701
Total Operating Income	<u>30,764</u>	<u>22,784</u>
General Corporate Expenses	2,136	1,639
Other Income - Net	2,028	1,846
Income Before Income Taxes	<u>\$ 30,656</u>	<u>\$ 22,991</u>

</TABLE>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: October 22, 1996

PAYCHEX, INC.

By: /s/ John M. Morphy

John M. Morphy
Vice President, Chief
Financial Officer and
Secretary