GAP INC Form 4 March 13, 2008

FORM 4

OMB APPROVAL

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

OMB 3235-0287 Number:

Check this box if no longer subject to Section 16.

January 31, Expires: 2005

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Estimated average burden hours per response...

Form 4 or Form 5 obligations may continue. See Instruction

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

0.5

1(b).

(Print or Type Responses)

1. Name and A SIMMONS		orting Person *	2. Issuer Name and Ticker or Trading Symbol GAP INC [GPS]	5. Relationship of Reporting Person(s) to Issuer			
(Last)	(First)	(Middle)	3. Date of Earliest Transaction	(Check all applicable)			
GAP INC., 2 FOLSOM STREET			(Month/Day/Year) 03/11/2008	Director 10% OwnerX_ Officer (give title Other (specify below) EVP and CFO			
(Street) SAN FRANCISCO, CA 94105			4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check			
			Filed(Month/Day/Year)	Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person			
(City)	(State)	(Zip)					

(City)	(State) (Table Table	e I - Non-D	erivative	Secur	ities Acq	uired, Disposed of	f, or Beneficial	y Owned	
1.Title of Security	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if	3. Transactio	4. Securi		*	5. Amount of Securities	6. Ownership Form: Direct	7. Nature of Indirect	
(Instr. 3)		any (Month/Day/Year)	Code (Instr. 8)	(Instr. 3,	4 and (A)	5)	Beneficially Owned Following Reported	(D) or Indirect (I) (Instr. 4)	Beneficial Ownership (Instr. 4)	
			Code V	Amount	or (D)	Price	Transaction(s) (Instr. 3 and 4)			
Common Stock	03/11/2008		M	4,500	A	\$0	4,500	D		
Common Stock	03/11/2008		F	1,684	D	\$ 19.92	2,816	D		

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5. Number	6. Date Exercisab	le and	7. Title and A	Amount o	
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transaction Derivative		Expiration Date		Underlying Securities		
Security	or Exercise		any	Code	Securities	(Month/Day/Year)	(Instr. 3 and	4)	
(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D)					
					(Instr. 3, 4, and 5)					
						Date Exercisable	Expiration Date	Title	Amount or Number of	
				Code V	(A) (D)				Shares	
Performance Units	\$ 0 (1)	03/11/2008		M	4,500	03/11/2008(2)	<u>(3)</u>	Common Stock	4,500	

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

SIMMONS SABRINA GAP INC. 2 FOLSOM STREET

2 FOLSOM STREET EVP and CFO

SAN FRANCISCO, CA 94105

Signatures

/s/ Ingrid Freire, Power of Attorney 03/13/2008

**Signature of Reporting Person Date

Explanation of Responses:

- * 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).
- (1) Each Performance Unit represents a contingent right to receive one share of Gap Inc.'s common stock.
- (2) 4,500 Performance Units vested on March 11, 2008.
- (3) Not Applicable.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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