

# FORM 4

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

OMB APPROVAL
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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

(Print or Type Responses)

1. Name and Address of Reporting Person* DONLON JAMES D III		2. Issuer Name <b>and</b> Ticker or Trading Symbol KMART HOLDING CORP kmrt		5. Relationship of Reporting Person(s) to Issuer (Check all applicable) ____ Director                      ____ 10% Owner <input checked="" type="checkbox"/> Officer (give title below)                      ____ Other (specify below) SVP, Chief Financial Officer							
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 1/31/2005								
3100 WEST BIG BEAVER ROAD  (Street)			4. If Amendment, Date 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						
TROY MI 48084  (City)                                      (State)                      (Zip)			<b>Table I -- Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned</b>								
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)	
Common Stock		1/31/2005		F		Amount	(A) or (D)	Price	19,126	D	

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).

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FORM 4 (continued)

**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 Underlying Securities (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 of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
								Date Exercisable	Expiration Date						
				Code	V	(A)	(D)								

Explanation of Responses:

\*\* 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.

James E. Defebaugh by Power of Attorney for  
 James D. Donlon

\*\* Signature of Reporting Person

1/31/2005

Date

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