

BIXBY WALTER E
 Form 5
 February 14, 2007

FORM 5

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).
 Form 3 Holdings Reported Form 4 Transactions Reported

ANNUAL 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

1. Name and Address of Reporting Person *
BIXBY WALTER E

2. Issuer Name and Ticker or Trading Symbol
KANSAS CITY LIFE INSURANCE CO [KCLI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
 12/31/2006

Director 10% Owner
 Officer (give title below) Other (specify below)

C/O KANSAS CITY LIFE INSURANCE CO, 3520 BROADWAY

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Reporting

(check applicable line)

KANSAS CITY, MO 64111

Form Filed by One Reporting Person
 Form Filed by More than One Reporting Person

(City) (State) (Zip)

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 at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock, \$1.25 par value	12/31/2006	^	J ⁽¹⁾⁽²⁾	15,440 A	\$ ⁽¹⁾ / ₍₂₎ 348,380	D ⁽⁸⁾	^
Common Stock, \$1.25 par	12/31/2006	^	J ⁽¹⁾⁽²⁾	46,259 D	\$ ⁽¹⁾ / ₍₂₎ 2,500,042	I	See Footnotes ⁽³⁾ ⁽⁴⁾ ⁽⁵⁾ ⁽⁶⁾

value

(7) (8)

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

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(9-02)

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. of D
					(A) (D)	Date Exercisable Expiration Date	Title	Amount or Number of Shares	

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

BIXBY WALTER E
C/O KANSAS CITY LIFE INSURANCE CO
3520 BROADWAY
KANSAS CITY, MO 64111

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Signatures

Walter E. Bixby, signed by William A. Schalekamp as power of attorney

02/11/2007

**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) (1) Effective on December 31, 2006, pursuant to the mandatory provisions of the agreement of WEB Interests, Ltd., a Texas partnership (the "Partnership"), (a) an indirect pecuniary interest in 45,792 shares of common stock, \$1.25 par value of Kansas City Life Insurance Company ("Common Stock"), owned by the Partnership were transferred from Mr. Bixby in his capacity as a co-trustee of the Walter E. Bixby, Jr. Revocable Trust dated July 28, 1999, as amended ("WEB Jr. Trust"), a Class C limited partner of the Partnership, to the Class B limited partners; (b) an indirect pecuniary interest in 5 shares of Common Stock owned by the Partnership was transferred from Mr. Bixby, as a general partner in his individual capacity, to certain other partners,
- (2) (1)(c) an indirect pecuniary interest in 15,415 shares were transferred to Mr. Bixby in his capacity as the sole trustee of each of the GST Walter E. Bixby, III Trust and the Issue Trust for Walter E. Bixby III (collectively, the "WEB III Trusts"), each as a Class B limited partner, from certain other partners, (d) an indirect pecuniary interest in 462 shares of Common Stock owned by the Partnership were

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transferred from Mr. Bixby in his capacity as a co-trustee of the WEB Jr. Trust, a general partner, to certain other partners, and (e) an indirect pecuniary interest in 24 shares of Common Stock owned by the Partnership were transferred to Mr. Bixby in his capacity as co-trustee of the WEB Jr. Trust from the general partners to the Class A limited partners;

- (2) As a general partner of the Partnership, Mr. Bixby shares with the WEB Jr. Trust (a general partner of the Partnership) and the other trustees of the WEB Jr. Trust (each of whom is also a general partner of the Partnership) the power to dispose of all of the 2,358,340 shares of Common Stock owned by the Partnership. Mr. Bixby disclaims beneficial ownership in all but 2,086,471 shares owned by the Partnership as he has a pecuniary interest in only 2,086,471 shares owned by the Partnership. These shares include: (a) 1,950,534 shares for which Mr. Bixby as a limited partner and a general partner of the Partnership, in his capacity as a co-trustee of the WEB Jr. Trust, has an indirect pecuniary interest, (b) 195 shares for which Mr. Bixby as an individual general partner of the Partnership has an indirect pecuniary interest, and
- (3) Partnership as he has a pecuniary interest in only 2,086,471 shares owned by the Partnership. These shares include: (a) 1,950,534 shares for which Mr. Bixby as a limited partner and a general partner of the Partnership, in his capacity as a co-trustee of the WEB Jr. Trust, has an indirect pecuniary interest, (b) 195 shares for which Mr. Bixby as an individual general partner of the Partnership has an indirect pecuniary interest, and
- (4) (2)(c) 135,740 shares for which Mr. Bixby as a limited partner, in his capacity as the sole trustee of each of the WEB III Trusts, has an indirect pecuniary interest;
- (5) (3) As custodian for each of Walter E. Bixby, IV, Adam J. Bixby, and Kai M. Bixby under the Missouri Transfer to Minors law, Mr. Bixby has the sole power to dispose of 20,036 shares, but disclaims any pecuniary interest in these shares;
- (6) (4) As a co-trustee of the Walter E. Bixby Descendants Trust with Angeline I. O'Connor and Robert Philip Bixby, Mr. Bixby shares the power to dispose of 393,535 shares of Common Stock;
- (7) (5) These shares do not include beneficial ownership in any of Kansas City Life Insurance Company's benefit plans; and
- (8) (6) As reported on a Schedule 13D filed by the Bixby family group with the Securities and Exchange Commission on November 2, 2004, the sole voting power for all the shares described herein is held by Mr. Lee M. Vogel pursuant to a Voting Agreement dated October 31, 2004.

Note: File three copies of this Form, one of which must be manually signed. If space provided 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.