

SABIA PETER A
Form 4
June 27, 2006

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 *
SABIA PETER A

2. Issuer Name and Ticker or Trading Symbol
COMMUNITY BANK SYSTEM
INC [CBU]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
133 WALNUT STREET
(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
06/23/2006

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

DUNMORE, PA 18512
(City) (State) (Zip)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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 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)		
			Code	V	Amount or Price				
Common Stock	06/23/2006		J		60,763 (1)	D	\$ 0 12,294	D	
Common Stock	06/23/2006		J		7,639 (2)	D	\$ 0 52,976.894	I	By Valley Dodge Truck Center
Common Stock	06/23/2006		S		0.894	D	\$ 19.018 52,976	I	By Valley Dodge Truck Center
	06/23/2006		J			D	\$ 0 0	I	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SABIA PETER A 133 WALNUT STREET DUNMORE, PA 18512	X			

Signatures

Donna J. Drengel, as attorney-in-fact, pursuant to a power of attorney

06/27/2006

__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) The reporting person transferred 60,763 shares to the Peter A. Sabia, Sr. Trust, dated May 30, 2006.
- (2) The reporting person transferred 7,639 shares from Valley Dodge Truck Center to the Peter A. Sabia, Sr. Trust, dated May 30, 2006.
- (3) The reporting person transferred 3,001 shares from the Peter A. Sabia, Sr. Trust, dated May 7, 2004, to the Peter A. Sabia, Sr. Trust, dated May 30, 2006.

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.