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

Form 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): 10/18/2010

RAYONIER INC.

(Exact name of registrant as specified in its charter)

Commission File Number: 1-6780

North Carolina
(State or other jurisdiction of
incorporation)

13-2607329
(IRS Employer
Identification No.)

1301 Riverplace Boulevard
Jacksonville, Florida
32207
(Address of principal executive offices, including zip code)

904-357-9100
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01. Other Events

On October 18, 2010, Rayonier Inc. issued a press release announcing that its Board of Directors voted to increase the Company's regular quarterly cash dividend by \$.04 per common share, from \$.50 per share to \$.54, effective for the fourth quarter distribution. The fourth quarter dividend is payable December 31, 2010, to shareholders of record on December 10, 2010.

A copy of the press release is attached hereto as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits

(d) Exhibit 99.1 - Rayonier Inc. press release dated October 18, 2010

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.

RAYONIER INC.

Date: October 20, 2010

By: /s/ Hans E. Vanden Noort

Hans E. Vanden Noort
Senior Vice President and Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
EX-99.1	Rayonier Increases Quarterly Dividend

News Release

Contacts:

Investors Carl Kraus 904-357-9158
Media Robin Keegan 904-357-9194

For immediate release

Rayonier Increases Quarterly Dividend

JACKSONVILLE, Fla., Oct. 18, 2010 - Rayonier (NYSE:RYN) announced today that its board of directors voted to increase the company's regular quarterly cash dividend by \$.04 per common share, or 8 percent, from \$.50 per share to \$.54, effective for the fourth quarter distribution.

The fourth quarter dividend is payable Dec. 31, 2010, to shareholders of record on Dec. 10, 2010. This is the company's fifth dividend increase since its announcement to convert to a REIT structure in 2003.

"Increasing the dividend demonstrates the strength of Rayonier's balanced business mix and ability to generate cash, as well as our confidence in growing future cash flows," said Lee M. Thomas, chairman and CEO. "As a REIT, providing shareholders with an attractive, tax-advantaged dividend is one of our key objectives."

Rayonier's dividend is expected to be characterized as long-term capital gain and taxed at a maximum rate of 15 percent for most U.S. taxpayers.

Rayonier will announce third quarter earnings on October 26. The company will host a conference call and live webcast with the investment community at 2 p.m. EDT the same day to discuss these results. Investors may listen to the conference call by dialing 888-790-3052, passcode: Rayonier, or by logging onto www.rayonier.com.

About Rayonier

Rayonier is a leading international forest products company with three core businesses: Timber, Real Estate and Performance Fibers. The company owns, leases or manages 2.5 million acres of timber and land in the United States and New Zealand. The company's holdings include approximately 200,000 acres with residential and commercial development potential along the Interstate 95 corridor between Savannah, Ga., and Daytona Beach, Fla. Its Performance Fibers business is one of the world's leading producers of high-value specialty cellulose fibers. Approximately 45 percent of the company's sales are outside the U.S. to customers in approximately 40 countries. Rayonier is structured as a real estate investment trust. More information is available at www.rayonier.com.

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