

U.S. SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 4

OMB APPROVAL

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

[] Check this box if no longer Subject to Section 16.

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(f) of the Investment Company Act 1940

OMB Number 3235-0287
Expires: September 30, 1998
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hours per response...0.5

1. Name and Address of Reporting Person*			2. Issuer Name and Ticker or Trading Symbol		6. Relationship of Reporting Person to Issuer (Check all Applicable)	
Nutter Wallace Lee			Rayonier		---(give title below) ---(Specify below)	
(Last)	(First)	(MI)	of Reporting Person Year		X Director 10% Owner	
1177 Summer Street			3. IRS or Soc. Sec. No. of Reporting Person (Voluntary)		X Officer Other	
(Street)					---(give title below) ---(Specify below)	
Stamford CT 06905-5529			4. Statement for Month/Year		Chairman, President & Chief Executive	
(City)	(State)	(Zip)	5. If Amendment, Date of Original (Month/Year)		7. Individual or Joint/Group Filing (Check Applicable Line)	
			January 1999		X 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 (Mon/Day/Yr)	3. Trans. Code (Instr. 8)		4. Security Acquired (A) or Disposed of (D) (Instr. 3, 4 & 5)			5. Amount of Securities Beneficially Owned at End of Month (Instr. 3 & 4)	6. Own. Form (D) or (I)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
		Code	V	Amount	(A) (D)	Price				
Common Shares	01/02/1999	A	V	5000	(01)	A	\$.0000			
Common Shares	01/13/1999	M	(02)	7572		A	\$.0000			
Common Shares	01/13/1999	F		5516		D	\$46.0103	40121.1336	D	
Common Shares							\$.0000	17554	I (03)	In Trust
Common Shares							\$.0000	22298.2252	I (04)	By Summer Reign, Inc.

Reminder: Report on a separate line for each class securities owned directly or indirectly.
*If the form is filed by more than one reporting person, see Instruction 4(b)(v).

SEC 1474 (7-96)

FORM 4 (continued)

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Mon/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 & 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 & 4)		8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned at End of Month (Instr. 4)	10. Own. Form (D) or (I)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	(A)	(D)	Date Exbl.	Exp. Date	Title	Amount or Number of Shares				
EMPLOYEE S	\$45.5600	01/02	A	V	30000		01/03	01/04	Common Sha	30000		30000	D	

STOCK OPTION	1999					2000	2009	res					
Performance Share	01/13 1999	M	V		6000			Common Shares	7572		0	D	
	(02)												
Performance Share	01/02 1999	A	V		15000			Common Shares	15000		15000	D	
	(06)									(06)			

Explanation of Responses:

- (01) Vests three years after the date of grant.
- (02) Performance Shares are paid in Rayonier Inc. Common Shares in an amount ranging from 0 to 150% of the Performance Shares awarded based upon Rayonier Inc.'s total shareholder return performance during the period from January 2, 1996 to January 1, 1999 as compared with the performance of a peer group of companies. Actual TSR performance translates into an award payment in January 1999 of 126.2% of Performance Shares Awarded.
- (03) Shares held in trust are held in the Rayonier Investment & Savings Plan for this person's account.
- (04) Shares held by Summer Reign, Inc., a corporation of which Mr. Nutter and his spouse are the sole stockholders.
- (05) Vests in one-third installments annually commencing January 3, 2000.
- (06) Performance Shares are paid in Rayonier Inc. Common Shares in an amount ranging from 0 to 150% of the Performance Shares awarded based upon Rayonier Inc.'s total shareholder return performance during the period from January 2, 1999 to D

**Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

/s/John B. Canning, Attorney-in-Fact 02/08/1999

**Signature of Reporting Person Date

Note: File three copies of this form, one of which must be manually signed. If space provided is insufficient, see Instruction 6 for procedure.

SEC 1474 (7-96)

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 OMD Number

cont. (06) December 31, 2001.

Nutter, Wallace Lee

Rayonier

JAN-1999 PAGE: 3 OF 3

