

FORM 5

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL	
OMB Number:	3235-0362
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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.

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>TAUREL SIDNEY</u> (Last) (First) (Middle) <u>LILLY CORPORATE CENTER</u> (Street) <u>INDIANAPOLIS IN 46285</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>LILLY ELI & CO [LLY]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Chairman, President and CEO</u>
	3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year) <u>12/31/2004</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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 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)
				Amount	(A) or (D)	Price			
Common Stock	07/17/2003 ⁽¹⁾	07/17/2003	G4	100,000	D	\$0	434,361	D	
Common Stock	02/19/2004	02/19/2004	G	111	D	\$0	434,250	D	
Common Stock	05/28/2004	05/28/2004	G	69	D	\$0	434,181	D	
Common Stock	06/28/2004	06/28/2004	G	1,974	D	\$0	432,207	D	
Common Stock	12/22/2004	12/22/2004	G	12,231	D	\$0	419,976	D	
Common Stock							14,908	I	401(k) Plan
Common Stock							1,290	I	by child, A. Taurel
Common Stock							1,290	I	by child, O. Taurel
Common Stock							1,290	I	by child, P. Taurel
Common Stock	07/17/2003 ⁽¹⁾	07/17/2003	G4	100,000	A	\$0	100,000	I	by wife, K. Taurel
Common Stock							95,623	I ⁽²⁾	Family Limited Partnership ⁽¹⁾
Common Stock							20,500	I ⁽³⁾	Family Limited Partnership ⁽²⁾
Common Stock							31,261	I ⁽⁴⁾	GRAT 2002-4
Common Stock							14,976	I ⁽⁴⁾	S. Taurel Family Invest. GRAT
Common Stock							148,465	I	S. Taurel Waterfield GRAT

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 Securities Underlying Derivative Security (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: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative (Instr. 3)	2. Conversion Date (Month/Day/Year)	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	(A) Number of Derivative Securities Acquired	(D) Disposed of (Instr. 3, 4 and 5)	Date Exercisable	Expiration Date	Title and Amount of Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
<p>1. These shares have been erroneously reported as directly owned by Mr. Taurel since their transfer.</p> <p>2. Held by Family Limited Partnership 1 in which reporting person is sole general partner. Reporting person's wife and children own limited partnership interests in the shares held by the partnership except to the extent of his pecuniary interest therein.</p> <p>3. Held by Family Limited Partnership 2 in which an LLC controlled by the reporting person is the sole general partner and the reporting person is the sole limited partner. Reporting person's wife and children own limited partnership interests in Family Limited Partnership 1, and reporting person claims beneficial ownership in the shares held by the partnership except to the extent of his pecuniary interest therein.</p> <p>4. Grantor retained annuity trust established by reporting person. Reporting person is trustee.</p>													
Remarks:													
					(A)	(D)	Date Exercisable	Expiration Date	Sidney Taurel this shares		02/14/2005		
											** Signature of Reporting Person		Date

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).

** 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.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.