

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

FORM 5

OMB APPROVAL

Check this box if
no longer Subject
to Section 16.

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB Number 3235-0362
Expires: September 30, 1998
Estimated ave. burden
hours per response....1.0

Form 3 Holdings Rep. 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
Form 4 Trans. Rep. Section 30(f) of the Investment Company Act 1940

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)	
Kirk, Jr.	Paul	G.	Rayonier (RYN)		X Director	10% Owner
(Last)	(First)	(MI)	3. IRS or Soc. Sec. No. of Reporting Person (Voluntary)		Officer	Other
1177 Summer Street			4. Statement for Month/Year		---(give title below) ---(Specify below)	
(Street)			12/31/1998			
Stamford CT 06905-5529			5. If Amendment, Date of Original (Month/Year)		7. Individual or Joint/Group Filing (Check Applicable Line)	
(City) (State) (Zip)					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 Issuer's Fiscal Year (Instr. 3 & 4)	6. Ownership Form (D) or (I)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Amount	(A) (D)	Price			
Common Shares					\$.0000	2130.2465	D	

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).

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FORM 5 (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 Date (Mon/Day/Year)	3. Transaction Date (Instr. 8)	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 Year (Instr. 4)	10. Ownership Form (D) or (I)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				(A) (D)	Date Expl. Date	Title				

Explanation of Responses:

**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.

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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

Kirk, Jr., Paul G.

Rayonier

