

BIXBY WALTER E
 Form 5
 February 15, 2012

FORM 5

**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).
 Form 3 Holdings Reported Form 4 Transactions Reported

ANNUAL 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

1. Name and Address of Reporting Person *
 BIXBY WALTER E

2. Issuer Name and Ticker or Trading Symbol
 KANSAS CITY LIFE INSURANCE CO [KCLI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
 12/31/2011

Director 10% Owner
 Officer (give title below) Other (specify below)
 VP and Vice Chairman of Board

C/O KANSAS CITY LIFE INSURANCE CO, 3520 BROADWAY

(Street)

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

6. Individual or Joint/Group Reporting

(check applicable line)

KANSAS CITY, MO 64111

Form Filed by One Reporting Person
 Form Filed by More than One Reporting Person

(City) (State) (Zip)

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 Ownership (Instr. 4)
Common Stock, \$1.25 par value	12/31/2011		G	1,170 D \$ 0	343,615	D	
Common Stock, \$1.25 par value	12/31/2011		J ⁽¹⁾⁽²⁾	31,860 <u>(1) (2)</u> D \$ 0	1,936,669 <u>(3) (4)</u>	I	See <u>(3) (4)</u>

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

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 Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. of D Sc B O E Is F (I
						Date Exercisable (A)	Expiration Date (D)	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

BIXBY WALTER E
C/O KANSAS CITY LIFE INSURANCE CO
3520 BROADWAY
KANSAS CITY, MO 64111

 X X X VP and Vice Chairman of Board X

Signatures

A. Craig Mason, Jr., Attorney in Fact for Walter E. Bixby

02/15/2012

__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) Effective December 31, 2011, pursuant to the mandatory provisions of the agreement of WEB Interest, Ltd., a Texas partnership (the "Partnership"), the shares of the Issuer's common stock, \$1.25 par value ("Common Stock"), owned by the Partnership and attributable to the general and limited partner interests of the Partnership were reallocated such that (a) the Common Stock owned by the Partnership and attributable to the general and Class A and C limited partner interests of the Partnership held by the Walter E. Bixby, Jr. Revocable Trust dated July 28, 1999 ("WEB Jr. Trust"), for which Mr. Bixby serves as a co-trustee, declined by 47,790 shares; (b) the Common Stock owned by the Partnership and attributable to the general partner interest of the Partnership held by Mr. Bixby declined by 4 shares;

(2) (continue of Footnote 1) and (c) the Common Stock owned by the Partnership and attributable to the Class B limited partner interests of the Partnership held by the GST Walter E. Bixby, III Trust and the Issue Trust for Walter E. Bixby III (collectively, the "WEB III Trusts"), for which Mr. Bixby serves as the sole trustee, increased by 15,934 shares. Mr. Bixby disclaims beneficial ownership of the shares of Common Stock owned by the Partnership except to the extent of his pecuniary interest therein.

(3)

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Mr. Bixby is a general partner of the Partnership, and in that capacity, shares with the other general partners of the Partnership the power to dispose of all of the 2,358,340 shares of Common Stock owned by the Partnership. The shares reported include 1,936,669 shares of Common Stock owned by the Partnership, which consist of: (a) 1,725,834 shares attributable to the limited and general partner interests of the Partnership held by the WEB Jr. Trust, for which Mr. Bixby serves as a co-trustee; (b) 177 shares attributable to the general partner interest of the Partnership held by Mr. Bixby individually, and (c) 210,658 shares attributable to the limited partner interests of the Partnership held by the WEB III Trusts, for which Mr. Bixby serves as the sole trustee. Mr. Bixby disclaims beneficial ownership of the shares of Common Stock owned by the Partnership except to the extent of his pecuniary interest therein.

The shares reported do not include any shares of Common Stock owned in any of the Issuer's benefit plans. The shares reported also do not include 395,785 shares of Common Stock owned by the Walter E. Bixby Descendents Trust, for which Mr. Bixby serves as a co-trustee. Mr. Bixby disclaims beneficial ownership of these shares as he has no pecuniary interest in them (and they may not be referred in future Section 16 filings for Mr. Bixby). The shares reported also do not include 27,715 shares of Common Stock held by Mr. Bixby as custodian for persons who are not members of his "immediate family" under Rule 16a-1. Mr. Bixby disclaims beneficial ownership of these shares as he has no pecuniary interest in them (and they may not be referenced in future Section 16 filings for Mr. Bixby).

Note: File three copies of this Form, one of which must be manually signed. If space provided 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.