

BIXBY WALTER E
 Form 5
 February 17, 2009

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)
 12/31/2008

Director 10% Owner
 Officer (give title below) Other (specify below)

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)
				(A) or (D) Amount Price			
Common Stock, \$1.25 par value	12/31/2008		G	558 D	\$ ⁽¹⁾ / ₍₂₎ 347,266	D	
Common Stock, \$1.25 par	12/31/2008		J ⁽¹⁾⁽²⁾	61,669 D	\$ ⁽¹⁾ / ₍₂₎ 2,026,220	I	See footnotes <u>(3)</u> <u>(4)</u> <u>(5)</u> <u>(6)</u>

value									(7)
Common Stock, \$1.25 par value	12/31/2008	Â	J(1)(2)	20,573	A	\$ ⁽¹⁾ 2	0	I	See Fotenote (7)

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
					(A) (D)	Date Exercisable	Expiration Date	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	Â X	Â X	Â	Â

Signatures

Walter E. Bixby, signed by William A. Schalekamp as power of attorney 02/10/2009

__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 on December 31, 2008, pursuant to the mandatory provisions of the agreement of WEB Interests, Ltd., a Texas partnership (the "Partnership"), (a) an indirect pecuniary interest in 61,666 shares of common stock, \$1.25 par value of Kansas City Life Insurance Company ("Common Stock"), owned by the Partnership was transferred from Mr. Bixby in his capacity as a co-trustee of the Walter E. Bixby, Jr. Revocable Trust dated July 28, 1999, as amended ("WEB Jr. Trust"), a Class C limited partner and a general partner of the

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Partnership, to the Class B limited partners;

(cont. of footnote 1) (b) an indirect pecuniary interest in 3 shares of Common Stock owned by the Partnership was transferred from Mr. Bixby, as a general partner in his individual capacity, to certain other partners, and (c) an indirect pecuniary interest in 20,573 shares was transferred to Mr. Bixby in his capacity as the sole trustee of each of the GST Walter E. Bixby, III Trust and the Issue Trust for Walter E. Bixby III (collectively, the "WEB III Trusts"), each as a Class B limited partner, and the WEB Jr. Trust, a Class A limited partner, from certain other partners;

- (3) As a general partner of the Partnership, Mr. Bixby shares with the WEB Jr. Trust (a general partner of the Partnership) and the other trustees of the WEB Jr. Trust (each of whom is also a general partner of the Partnership) the power to dispose of all of the 2,358,340 shares of Common Stock owned by the Partnership. Mr. Bixby disclaims beneficial ownership in all but 2,026,220 shares owned by the Partnership as he has a pecuniary interest in only such shares. These shares include: (a) 1,860,160 shares for which Mr. Bixby as a limited partner and a general partner of the Partnership, in his capacity as a co-trustee of the WEB Jr. Trust, has an indirect pecuniary interest, (b) 190 shares for which Mr. Bixby as an individual general partner of the Partnership has an indirect pecuniary interest, and (c) 165,870 shares for which Mr. Bixby as a limited partner, in his capacity as the sole trustee of each of the WEB III Trusts, has an indirect pecuniary interest;
- (4) As custodian for each of Walter E. Bixby, IV, Adam J. Bixby, and Kai M. Bixby under the Missouri Transfer to Minors law, Mr. Bixby has the sole power to dispose of 25,181 shares, but disclaims any pecuniary interest in these shares;
- (5) These shares do not include shares owned in any of Kansas City Life Insurance Company's benefit plans;
- (6) As co-trustee of the Walter E. Bixby Descendents Trust, Mr. Bixby shares the power to dispose of the 395,785 shares of Common Stock owned by this trust, but disclaims beneficial ownership of these shares as he has no pecuniary interest in these shares; and
- (7) As reported on a Schedule 13D filed by the Bixby family group with the Securities and Exchange Commission on November 2, 2004, the sole voting power for all the shares described herein is held by Mr. Lee M. Vogel pursuant to a Voting Agreement dated October 31, 2004.

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.