Morningstar, Inc. Form 4 August 14, 2006

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

Check this box if no longer subject to Section 16. Form 4 or Form 5

obligations

1(b).

(Last)

may continue.

See Instruction

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

Morningstar, Inc. [MORN]

3. Date of Earliest Transaction

(Month/Day/Year)

08/14/2006

(Print or Type Responses)

1. Name and Address of Reporting Person * **Boudos Martha Dustin**

(First) (Middle)

C/O MORNINGSTAR, INC., 225 WEST WACKER DRIVE

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

CHICAGO, IL 60606

2. Issuer Name and Ticker or Trading	5. Relationship of Reporting Person(s) to
Symbol	Issuer

(Check all applicable)

OMB APPROVAL

3235-0287

January 31,

2005

0.5

OMB

Number:

Expires:

response...

Estimated average

burden hours per

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

6. Individual or Joint/Group Filing(Check Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person

(City)	(State) (Zip) Table	e I - Non-D	erivative	Secur	ities Acq	uired, Disposed o	f, or Beneficial	ly 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 on(A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities 6. Ownership Form: Direct		7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code V	Amount	or (D)	Price	(Instr. 3 and 4)		
Common Stock	08/14/2006		S <u>(1)</u>	60	D	\$ 34.63	27,602	D	
Common Stock	08/14/2006		S <u>(1)</u>	224	D	\$ 34.65	27,378	D	
Common Stock	08/14/2006		S <u>(1)</u>	284	D	\$ 34.66	27,094	D	
Common Stock	08/14/2006		S <u>(1)</u>	224	D	\$ 34.67	26,870	D	
Common Stock	08/14/2006		S <u>(1)</u>	134	D	\$ 34.68	26,736	D	

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Common Stock	08/14/2006	S <u>(1)</u>	90	D	\$ 34.69	26,646	D
Common Stock	08/14/2006	S <u>(1)</u>	90	D	\$ 34.7	26,556	D
Common Stock	08/14/2006	S(1)	90	D	\$ 34.71	26,466	D
Common Stock	08/14/2006	S <u>(1)</u>	7	D	\$ 34.73	26,459	D
Common Stock	08/14/2006	S <u>(1)</u>	45	D	\$ 34.77	26,414	D
Common Stock	08/14/2006	S <u>(1)</u>	67	D	\$ 34.84	26,347	D
Common Stock	08/14/2006	S <u>(1)</u>	45	D	\$ 34.85	26,302	D
Common Stock	08/14/2006	S <u>(1)</u>	81	D	\$ 34.92	26,221	D
Common Stock	08/14/2006	S <u>(1)</u>	134	D	\$ 35.01	26,087	D
Common Stock	08/14/2006	S <u>(1)</u>	89	D	\$ 35.02	25,998	D
Common Stock	08/14/2006	S <u>(1)</u>	90	D	\$ 35.04	25,908	D
Common Stock	08/14/2006	S <u>(1)</u>	2	D	\$ 35.06	25,906	D
Common Stock	08/14/2006	S <u>(1)</u>	54	D	\$ 35.07	25,852	D
Common Stock	08/14/2006	S <u>(1)</u>	78	D	\$ 35.09	25,774	D

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

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SEC 1474 (9-02)

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

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exercisable and	7. Title and	8. Price of	9. Nu
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transaction	orNumber	Expiration Date	Amount of	Derivative	Deriv
Security	or Exercise		any	Code	of	(Month/Day/Year)	Underlying	Security	Secui
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivativ	re	Securities	(Instr. 5)	Bene
	Derivative				Securities	S	(Instr. 3 and 4)		Own
	Security				Acquired				Follo
					(A) or				Repo

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Disposed of (D) (Instr. 3, 4, and 5)

Code V (A) (D) Date Exercisable Expiration Title Amount Date or

or Number Trans

(Insti

Number of Shares

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Boudos Martha Dustin C/O MORNINGSTAR, INC. 225 WEST WACKER DRIVE CHICAGO, IL 60606

Chief Financial Officer

Signatures

/s/ Heidi Miller, by power of attorney

08/14/2006

**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) The sales reported on this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on May 9, 2006.

Remarks:

Form 2 of 2

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

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