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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

January 19, 2006

Southwest Airlines Co.

(Exact name of registrant as specified in its charter)

Texas

1-7259

74-1563240

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

P. O. Box 36611, Dallas, Texas

75235-1611

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

(214) 792-4000

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01 Other Events.

On January 19, 2006, Southwest Airlines Co.'s Board of Directors declared a quarterly dividend of \$.0045 per share to Shareholders of record at the close of business on March 2, 2006, on all shares then issued and outstanding. The dividend will be paid on March 23, 2006. The Board of Directors also authorized the repurchase of up to \$300 million of the Company's common stock. Attached hereto as Exhibit 99.1 is the text of a press release announcing the dividend and the stock repurchase program.

Item 9.01 Financial Statements and Exhibits.

99.1 Press Release

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Southwest Airlines Co.

January 24, 2006

By: Deborah Ackerman

Name: Deborah Ackerman

Title: Vice President-General Counsel

Exhibit Index

Exhibit No.	Description
99.1	Press Release

CONTACT: Investor Relations (214) 792-4415

SOUTHWEST AIRLINES ANNOUNCES 118TH CONSECUTIVE QUARTERLY DIVIDEND AND STOCK REPURCHASE AUTHORIZATION

DALLAS, TEXAS – January 19, 2006 –Southwest Airlines’ Board of Directors, at its meeting held today, declared a quarterly dividend of \$.0045 per share to Shareholders of record at the close of business on March 2, 2006 on all shares then issued and outstanding.

Southwest Airlines’ Board of Directors also authorized the repurchase of up to \$300 million of the Company’s common stock. Based on yesterday’s close price of \$16.76, this represents approximately 17.9 million shares of common stock.

Gary C. Kelly, CEO, said: “Southwest Airlines has demonstrated continued financial success through profitable growth, strong cash flows, and a strong balance sheet. The Board’s authorization of the \$300 million stock repurchase program reflects our confidence in the growth opportunities and future of Southwest Airlines. Furthermore, in recognition of the contributions of our Employee-Shareholders and in appreciation for the loyal support of our non-Employee Shareholders, we are very pleased to announce the 118th consecutive dividend to be paid on March 23, 2006.”

Repurchases will be made in accordance with applicable securities laws in the open market or in private transactions, from time to time, depending on market conditions, and may be discontinued at any time.

Southwest has approximately 804 million shares of common stock outstanding. Any shares that are repurchased may be retired or used to fund the Company’s Employee stock plans.

This press release, as well as past releases, are available online at **southwest.com** .
