

Phillips Donald James II
Form 4
June 27, 2006

FORM 4

**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).

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
Phillips Donald James II

(Last) (First) (Middle)
C/O MORNINGSTAR, INC., 225
WEST WACKER DRIVE
(Street)

CHICAGO, IL 60606

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
Morningstar, Inc. [MORN]

3. Date of Earliest Transaction (Month/Day/Year)
06/26/2006

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 (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 Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(D)	Price
Common Stock	06/26/2006		S(1)		94	D	\$ 37.95
Common Stock	06/26/2006		S(1)		46	D	\$ 37.96
Common Stock	06/26/2006		S(1)		247	D	\$ 37.968
Common Stock	06/26/2006		S(1)		147	D	\$ 37.97
Common Stock	06/26/2006		S(1)		194	D	\$ 37.9725
							202,997
							202,951
							202,704
							202,557
							202,363

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Common Stock	06/26/2006	<u>S(1)</u>	201	D	\$ 37.99	202,162	D
Common Stock	06/26/2006	<u>S(1)</u>	100	D	\$ 37.9901	202,062	D
Common Stock	06/26/2006	<u>S(1)</u>	240	D	\$ 37.9972	201,822	D
Common Stock	06/26/2006	<u>S(1)</u>	94	D	\$ 38	201,728	D
Common Stock	06/26/2006	<u>S(1)</u>	100	D	\$ 38.01	201,628	D
Common Stock	06/26/2006	<u>S(1)</u>	194	D	\$ 38.0171	201,434	D
Common Stock	06/26/2006	<u>S(1)</u>	147	D	\$ 38.02	201,287	D
Common Stock	06/26/2006	<u>S(1)</u>	100	D	\$ 38.03	201,187	D
Common Stock	06/26/2006	<u>S(1)</u>	47	D	\$ 38.0492	201,140	D
Common Stock	06/26/2006	<u>S(1)</u>	146	D	\$ 38.0825	200,994	D
Common Stock	06/26/2006	<u>S(1)</u>	194	D	\$ 38.111	200,800	D
Common Stock	06/26/2006	<u>S(1)</u>	229	D	\$ 38.12	200,571	D
Common Stock	06/26/2006	<u>S(1)</u>	47	D	\$ 38.13	200,524	D
Common Stock	06/26/2006	<u>S(1)</u>	187	D	\$ 38.14	200,337	D
Common Stock	06/26/2006	<u>S(1)</u>	240	D	\$ 38.18	200,097	D
Common Stock	06/26/2006	<u>S(1)</u>	147	D	\$ 38.19	199,950	D
Common Stock	06/26/2006	<u>S(1)</u>	12	D	\$ 38.21	199,938	D
Common Stock	06/26/2006	<u>S(1)</u>	387	D	\$ 38.2107	199,551	D
Common Stock	06/26/2006	<u>S(1)</u>	100	D	\$ 38.22	199,451	D
Common Stock	06/26/2006	<u>S(1)</u>	100	D	\$ 38.24	199,351	D
	06/26/2006	<u>S(1)</u>	47	D	\$ 38.25	199,304	D

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Common
Stock

Common Stock 06/26/2006 S(1) 47 D \$ 38.27 199,257 D

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

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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. Number of Derivative Securities Beneficially Owned Following Reported Transaction (Instr. 5)
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Phillips Donald James II C/O MORNINGSTAR, INC. 225 WEST WACKER DRIVE CHICAGO, IL 60606	X		Managing Director	

Signatures

/s/ Rachel Felsenthal, by power of attorney

06/27/2006

**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.

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Remarks:

Form 3 of 3

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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