COMMERCE GROUP INC /MA
Form 4
July 26, 2006

FORM 4

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

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

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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
FELS GERALD

(Last) (First) (Middle)

271 THOMPSON RD

(Street)

WEBSTER, MA 01570

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
COMMERCE GROUP INC /MA [CGI]

3. Date of Earliest Transaction (Month/Day/Year)
07/17/2006

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

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)
__X__ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Exec. Vice Pres. & CFO

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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	(A) or (D)	Price			
Common stock	07/17/2006		G	V	1,500	D	$ 0	621,522 (1)	D	
Common stock								425,232 (2)	I	See (3) (11)
Common stock								31,080 (4)	I	See (5) (11)
Common stock								43,064 (6)	I	See (7) (11)
Common stock								3,000 (8)	I	See (9) (11)

Common stock	3,740	I	See (10)

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. Nu Deriv Secur Bene Owne Follo Repo Trans (Instr
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FELS GERALD 271 THOMPSON RD WEBSTER, MA 01570	X		Exec. Vice Pres. & CFO	

Signatures

/s/ Gerald Fels	07/26/2006
**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) On June 9, 2006, the common stock of The Commerce Group, Inc. split 2-for-1, resulting in the reporting person's ownership of 311,511 additional shares of common stock.

(2) On June 9, 2006, the common stock of The Commerce Group, Inc. split 2-for-1, resulting in the reporting person's ownership of 212,616 additional shares of common stock.

(3) 425,232 shares are owned by the undersigned's wife

(4) On June 9, 2006, the common stock of The Commerce Group, Inc. split 2-for-1, resulting in the reporting person's ownership of 15,540 additional shares of common stock

(5) 31,080 shares are owned by the undersigned's wife and daughter as joint tenants

(6) On June 9, 2006, the common stock of The Commerce Group, Inc. split 2-for-1, resulting in the reporting person's ownership of 21,532 additional shares of common stock

(7) 43,064 shares are owned by the undersigned's wife and son as joint tenants

(8) On June 9, 2006, the common stock of The Commerce Group, Inc. split 2-for-1, resulting in the reporting person's ownership of 1,500 additional shares of common stock.

(9) 3,000 shares are owned by the undersigned as custodian for his grandson.

(10) The reporting person indirectly beneficially owns 3,740 shares that are held by the Employee Stock Ownership Plan of The Commerce Group, Inc., which number of shares is calculated based on the units that have been credited to the reporting person as a participant in the ESOP and is subject to adjustment from time to time due, in part, to the unit value and the price per share of the Common Stock. In addition, the common stock of The Commerce Group, Inc. split 2-for-1 on June 9, 2006, resulting in an increase in the number of shares indirectly owned by the reporting person that are held by the ESOP.

(11) The filing of this statement by the undersigned is not to be construed as and shall not be deemed to be an admission that the undersigned is, for the purposes of Section 16 the Securities Act of 1934, as amended, a beneficial owner of these shares.

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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