

FORM 5

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

OMB APPROVAL

OMB Number: 3235-0362
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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 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* ANDERSON PAUL J <small>(Last) (First) (Middle)</small>			2. Issuer Name and Ticker or Trading Symbol COMMUNICATIONS SYSTEMS INC [JCS]			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)		
22105 GULL LAKE DR <small>(Street)</small>			3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year) 12/31/2003			6. Individual or Joint/Group Reporting (check applicable line) <input checked="" type="checkbox"/> Form Filed by One Reporting Person <input type="checkbox"/> Form Filed by More than One Reporting Person		
NISSWA, MN 56468 <small>(City) (State) (Zip)</small>			4. If Amendment, Date Original Filed(Month/Day/Year)					

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 Indirect Beneficial Ownership (Instr. 4)
				Amount	(A) or (D)	Price			
Common Stock							126,309	D	
Common Stock							30,309	I	Spouse

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly. **Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.** SEC 2270 (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. Number of Derivative Securities Beneficially Owned at End of Issuer's Fiscal Year (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
					(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Incentive Stock Option	\$ 7.35	05/21/2003		A	3,000		05/21/2003	05/21/2013	Common Stock	3,000	\$ 7.35	3,000	I	Option (I)
Incentive Stock Option	\$ 7.132						05/16/2002	05/16/2012	Common Stock	3,000		3,000	I	Option (I)
Incentive Stock Option	\$ 8.10						05/17/2001	05/17/2011	Common Stock	3,000		3,000	I	Option (I)
Incentive Stock Option	\$ 14.125						05/18/2000	05/18/2010	Common Stock	3,000		3,000	I	Option (I)
Incentive Stock Option	\$ 12.625						05/18/1999	05/18/2009	Common Stock	3,000		3,000	I	Option (I)
Incentive Stock Option	\$ 18.25						05/19/1998	05/19/2008	Common Stock	2,000		2,000	I	Option (I)
Incentive Stock Option	\$ 14.25						05/22/1997	05/22/2007	Common Stock	2,000		2,000	I	Option (I)

Incentive Stock Option	\$ 15.75					05/14/1996	05/14/2006	Common Stock	2,000		2,000	I	Option (1)
Incentive Stock Option	\$ 15.625					05/15/1995	05/15/2005	Common Stock	2,000		2,000	I	Option (1)
Incentive Stock Option	\$ 11					05/17/1994	05/17/2004	Common Stock	2,000		2,000	I	Option (1)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ANDERSON PAUL J 22105 GULL LAKE DR NISSWA, MN 56468	X			

Signatures

Paul N. Hanson	03/15/2004
<small>**Signature of Reporting Person</small>	<small>Date</small>

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) Option granted under Communications Systems Inc 1990 Stock Option Plan

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

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