

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Schedule 13G

Under the Securities Exchange Act of 1934
(Amendment No.)

Gray Communications Systems, Inc.

(Name of Issuer)

Common Stock

(Title of Class of Securities)

389190 20 8

(CUSIP Number)

Check the following box if a fee is being paid with this statement [X]. (A fee is not required only if the filing person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class.) (See Rule 13d-7.)

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

(Continued on following page(s))

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CUSIP No. 389190 20 8

13G

Page 2 of 6 Pages

1 NAME OF REPORTING PERSON
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Citicorp 13-2614988

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP *
(a) _____
(b) _____

3 SEC USE ONLY

4 CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware

5 SOLE VOTING POWER

NUMBER OF
SHARES

None

BENEFICALLY
OWNED BY

6 SHARED VOTING POWER

None

EACH
REPORTING

7 SOLE DISPOSITIVE POWER

None

PERSON
WITH

8 SHARED DISPOSITIVE POWER

None

9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

None, except through its wholly-owned subsidiary, Citibank, N.A.

10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES *

11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

See Line 9, above

12 TYPE OF REPORTING PERSON *

HC

* SEE INSTRUCTION BEFORE FILLING OUT!

 1 NAME OF REPORTING PERSON
 S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
 CIITIBANK, N.A. 13-5266470

 2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP *
 (a) _____
 (b) _____

3 SEC USE ONLY

 4 CITIZENSHIP OR PLACE OF ORGANIZATION
 Delaware

 NUMBER OF 5 SOLE VOTING POWER
 SHARES 212,405

BENEFICALLY 6 SHARED VOTING POWER
 OWNED BY None

EACH 7 SOLE DISPOSITIVE POWER
 REPORTING 212,405

PERSON 8 SHARED DISPOSITIVE POWER
 WITH None

 9 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
 212,405

 10 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES *

 11 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9
 6.20%

 12 TYPE OF REPORTING PERSON *
 CO

 * SEE INSTRUCTION BEFORE FILLING OUT!

* Formerly known as Citicorp Investments, Inc.

SCHEDULE 13G

Item 1(a) Name of Issuer: Gray Communications Systems, Inc.

Item 1(b) Address of Issuer's Principal 126 North Washington St.
Albany, NY 31701

Item 2(a) Names of Persons: Citicorp and its wholly-owned
subsidiary, Citibank, N.A.

Item 2(b) Address of Principal
Business Office:
Citicorp
Citibank, N.A.
399 Park Avenue
New York, N.Y. 10043

Item 2(c) Citizenship: Citicorp: Delaware;
Citibank, N.A.: A national banking
association.

Item 2(d) Title of Class of Securities: Common Stock

Item 2(e) CUSIP Number: 389190 20 8

Item 3 The persons filing this Schedule pursuant to either Rule 13d-1(b) or
Rule 13d-2(b) are:

Citicorp: (g) Parent Holding Company, in
accordance with ss.240.13d-1 (b) (ii)
(G).

Citibank, N.A.: (b) Bank as defined in ss.3 (a)(6) of
the Act;

Item 4 Ownership

- (a) Total Amount Beneficially Owned: 212,405
- (b) Percent of Class: 6.20%
- (c) Total Number of Shares as to which such persons have:
 - (i) sole power to vote or to direct the vote
212,405
 - (ii) shared power to vote or to direct
None
 - (iii) sole power to dispose or to direct
the disposition of
212,405
 - (iv) shared power to dispose or to
direct the disposition of
None

Item 5 Ownership of Five Percent or Less of a Class:

Not applicable.

This statement is being filed to report the fact that as of December 31, 1996, the reporting persons had ceased to be the beneficial owners of more than five percent of the securities described.

Item 6 Ownership of More than Five Percent on Behalf of Another Person:
None

Item 7 Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company:
See Items 2(a) and 3.

Item 8 Identification and Classification of Members of the Group:
Not applicable.

Item 9 Notice of Dissolution of Group:
Not applicable.

ITEM 10 CERTIFICATION: By signing below I certify that, to the best of my knowledge and belief, the securities referred to above were acquired in the ordinary course of business and were not acquired for the purpose of and do not have the effect of changing or influencing the control of the issuer of such securities and were not acquired in connection with or as a participant in any transaction having such purposes or effect. SIGNATURE: After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct. NOTE: Signatures below are for Citicorp and Citibank, N.A., and those subsidiaries holding the issue, indicated by check below. All data shown is as of December 31, 1996.

FEBRUARY 14, 1997

DATE

CITICORP

By /s/Patricia K. Perlman

Patricia K. Perlman
Assistant Secretary, Citicorp

CITIBANK, N.A.

By /s/Patricia K. Perlman

Patricia K. Perlman
Vice President, Citibank N.A.

CITIBANK, N.A.

By /s/Denise Welsh

Denise Welsh
Vice President
Chief-of-Staff, PBG/CGAM
Citibank N.A.

Copies to:
Corporate Secretary