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FORM 4 OMB Approval

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

OMB Number 3235-0287

Expires: September 30, 1998

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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)

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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(f) of the Investment Company Act of 1940

1. Name and Address of Reporting Person
Reginald B. Newman II
(Last) (First) (Middle)
2440 Sheridan Drive
(Street)
Tonawanda NY 14150
(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
Rand Capital Corp. -- RAND

3. IRS or Social Security Number of Reporting Person (Voluntary)

4. Statement for Month/Year
March 1999

5. If Amendment, Date of Original (Month/Year)

6. Relationship of Reporting Person(s) to Issuer (Check all applicable)
__X___ Director __X___ 10% Owner
_____ Officer (give title below)
_____ Other (specify below)
_____

7. 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)	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 Month	6.Owner-ship Form: Direct (D) or Indirect (I) (Instr.4)	7.Nature of Indirect Bene-ficial Owner-ship (Instr.4)
		Code	V	Amount	(A) or (D)	Price			
Common Stock	3/18/99	P		16,129	A	$1.00	792,179	D	

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

*If the Form is filed by more than one reporting person see Instruction 4(b)(v).

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