

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

(X) Check this box if no longer subject to Section 16.
 Form 4 or Form 5 obligations may continue. See Instructions 1(b).

1. Name and Address of Reporting Person
 MOLL, JON H.
 2610 WEST BERWYN ROAD
 MUNCIE, IN 47304
2. Issuer Name and Ticker or Trading Symbol
 FIRST MERCHANTS CORPORATION
 FRME
3. IRS or Social Security Number of Reporting Person (Voluntary)
 ###-##-####
4. Statement for Month/Year
 December 1996
5. If Amendment, Date of Original (Month/Year)
6. Relationship of Reporting Person(s) to Issuer (Check all applicable)
 (X) Director () 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	2. Transaction Date	3. Transaction Code	4. Securities Acquired (A) or Disposed of (D)			5. Amount of Securities Beneficially Owned at End of Month	6. Direct (D) or Indirect (I)	7. Nature of Indirect Beneficial Ownership
			Amount	A/D	Price			
Common Stock	12-17-1996	G*	V	300	D	(1) 1371.1303	D	
Common Stock						1,350	I	IRA Self-Directed
Common Stock						(2) 1682.6272	I	Spouse

Table II -- Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Derivative Security	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date	4. Transaction Code	5. Number of Derivative Securities Acquired (A) or Disposed of (D)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities	8. Price of Derivative Security	9. Number of Derivative Securities Beneficially Owned at End of Month	10. Direct (D) or Indirect (I)	11. Nature of Indirect Beneficial Ownership
Non-Employee Director Stock Option (Right to Buy)								1,200	D	

Explanation of Responses:

*Gift of 190 shares to First Presbyterian Church and 110 shares to Ball State University Foundation

(1) Includes 15.8690 shares acquired in September 1996 and 15.4615 shares acquired in December 1996 under the First Merchants Corporation dividend reinvestment plan.

(2) Includes 15.9782 shares acquired in September 1996 and 15.5677 shares acquired in December 1996 under the First Merchants Corporation dividend reinvestment plan.

(3) Effective midnight, December 31, 1996, reporting person resigned as a director of the Corporation.

SIGNATURE OF REPORTING PERSON

Jon H. Moll (Confirming Statement on File)

DATE

December 30, 1996