FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

l	OMB APPRO	VAL				
	OMB Number:	3235-0287				
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l	hours per response:	0.5				

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

					_																	
	d Address of		2. Issuer Name and Ticker or Trading Symbol LUNA INNOVATIONS INC [LUNA]											licable)	ng Person	Person(s) to Issuer						
,												X		Officer (give title elow)		Other (specify below)						
(Last)	(Fi		3. Date of Earliest Transaction (Month/Day/Year) 03/07/2008											Chief Financial Officer								
C/O LUNA INNOVATIONS INCORPORATED							03/07/2000															
1 RIVERSIDE CIRCLE, SUITE 400																						
							4. If Amendment, Date of Original Filed (Month/Day/Year)									6. Individual or Joint/Group Filing (Check Applicable						
(Street)							, 3 (Line)						
ROANOKE VA 24016																X Form filed by One Reporting Person						
KOMITO	IXL VI		.4010													Form filed by More than One Reporting						
					1											Person						
(City)	(St	ate) (2	Zip)																			
	Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned																					
1. Title of S	Security (Inst	r. 3)		2. Transa	action	Execution Date,			3.									6. Ownership		7. Nature		
				Date (Month/D	Day/Yea				Transaction Disposed Of (D) (Instr. 3, 4 Code (Instr. 5)			3, 4 a	cially				orm: Direct D) or Indirect	of Indirect Beneficial				
						(Month/Day/Year)							Owned Following Reported			(I) (Instr. 4)		Ownership (Instr. 4)				
									Code	v	Amount	(A) or Pri		Price	Trans		ction(s)			(111501. 4)		
						Couc	Ľ	Amount		(D)	1 1100		(Instr. 3 and 4)									
Common	Stock	7/2008	3			A ⁽¹⁾		9,488	3	A	A \$5.1		16 9,488		D							
		Ta	hle II - F	Derivati	ive S	ecu	rities	Δcaui	ired Di	isno	sed of	or B	Renefi	ciall	v Ov	vned						
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. Deeme Execution if any (Month/Da	Date,		Transaction Code (Instr.		of		xercis n Date ay/Ye		7. Title and Amount of Securities Underlying Derivative Security (Instr. and 4)					9. Number of derivative Securities Beneficially Owned Following Reported Transaction (Instr. 4)	Own Forn Direc or In (I) (Ir	Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)		
				L				and 5)							_		,,					
					Code	v	(A)		Date Exercisal		Expiration Date	Title	or Nun of	ount nber res								

Explanation of Responses:

1. Represents shares received in lieu of cash bonus of \$46,625 paid pursuant to the issuer's 2007 Senior Management Bonus Plan. On March 7, 2008, the Compensation Committee of the issuer's Board of Directors approved the issuance of shares in lieu of a portion of the officer's cash bonus. The number of shares granted was calculated using the closing price of the issuer's common stock as reported on the NASDAQ Global Market on March 7, 2008.

/s/ Kevin W. Holt, Attorney-In-Fact 03/11/2008

** Signature of Reporting Person Date

 $Reminder: \ Report \ on \ a \ separate \ line \ for \ each \ class \ of \ securities \ beneficially \ owned \ directly \ or \ indirectly.$

- * 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).

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

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 Number.