SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended August 4, 2007

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ______ to ______

Commission file number 1-11084

KOHL'S CORPORATION

(Exact name of registrant as specified in its charter)

WISCONSIN (State or other jurisdiction of incorporation or organization)	**39-1630919** (I.R.S. Employer Identification No.)
N56 W17000 Ridgewood Drive, Menomonee Falls, Wisconsin (Address of principal executive offices)	**53051** (Zip Code)

Registrant's telephone number, including area code (262) 703-7000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐

Indicate by a check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: September 4, 2007 Common Stock, Par Value $0.01 per Share, 317,788,104 shares outstanding.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

KOHL'S CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(In Thousands)

	August 4, 2007 (Unaudited)	February 3, 2007 (Audited)	July 29, 2006 (Unaudited)
Assets			
Current assets:			
Cash and cash equivalents	**$ 229,921**	$ 189,170	$ 162,807
Short-term investments	**35,556**	431,230	519,276
Merchandise inventories	**2,817,880**	2,588,099	2,408,149
Deferred income taxes	**46,733**	40,190	10,591
Other	**159,123**	152,351	156,372
Total current assets	**3,289,213**	3,401,040	3,257,195
Property and equipment, net	**6,190,119**	5,352,974	5,104,521
Favorable lease rights, net	**213,554**	219,286	226,108
Goodwill	**9,338**	9,338	9,338
Other assets	**60,978**	58,539	51,504
Total assets	**$ 9,763,202**	$ 9,041,177	$ 8,648,666
Liabilities and Shareholders' Equity			
Current liabilities:			
Accounts payable	**$ 1,075,228**	$ 934,376	$ 1,012,174
Accrued liabilities	**870,703**	732,178	731,008
Income taxes payable	**133,223**	233,263	104,229
Short-term debt	**295,000**	—	—
Current portion of long-term debt and capital leases	**10,866**	18,841	8,243
Total current liabilities	**2,385,020**	1,918,658	1,855,654
Long-term debt and capital leases	**1,040,847**	1,040,057	1,041,314
Deferred income taxes	**246,484**	243,530	213,994
Other long-term liabilities	**258,388**	235,537	219,199
Shareholders' equity:			
Common stock	**3,506**	3,485	3,466
Paid-in capital	**1,874,024**	1,748,792	1,645,393
Treasury stock at cost	**(2,002,778)**	(1,628,416)	(1,100,809)
Retained earnings	**5,957,711**	5,479,534	4,770,455
Total shareholders' equity	**5,832,463**	5,603,395	5,318,505
Total liabilities and shareholders' equity	**$ 9,763,202**	$ 9,041,177	$ 8,648,666

See accompanying Notes to Condensed Consolidated Financial Statements

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KOHL'S CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(In Thousands, Except per Share Data)

	Three Months (13 Weeks) Ended		Six Months (26 Weeks) Ended	
	August 4, 2007	July 29, 2006	August 4, 2007	July 29, 2006
Net sales	**$3,589,210**	$3,301,507	**$7,161,250**	$6,497,843
Cost of merchandise sold	**2,192,801**	2,062,165	**4,447,005**	4,103,130
Gross margin	**1,396,409**	1,239,342	**2,714,245**	2,394,713
Operating expenses:				
Selling, general, and administrative	**837,790**	759,756	**1,696,264**	1,528,644
Depreciation and amortization	**106,146**	96,105	**210,834**	189,377
Preopening expenses	**8,748**	8,062	**17,337**	19,059
Operating income	**443,725**	375,419	**789,810**	657,633
Interest expense, net	**10,541**	6,011	**20,688**	20,206
Income before income taxes	**433,184**	369,408	**769,122**	637,427
Provision for income taxes	**163,960**	137,050	**290,945**	237,825
Net income	**$ 269,224**	$ 232,358	**$ 478,177**	$ 399,602
Net income per share:				
Basic:				
Basic	**$ 0.84**	$ 0.70	**$ 1.49**	$ 1.18
Average number of shares	**320,488**	333,394	**321,132**	339,270
Diluted:				
Diluted	**$ 0.83**	$ 0.69	**$ 1.48**	$ 1.17
Average number of shares	**323,213**	335,694	**324,165**	341,586

See accompanying Notes to Condensed Consolidated Financial Statements

KOHL'S CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited)
(In Thousands)

	Common Stock		Paid-In	Treasury	Retained	
	Shares	Amount	Capital	Stock	Earnings	Total
Balance at February 3, 2007	348,502	$3,485	$1,748,792	$(1,628,416)	$5,479,534	$5,603,395
Exercise of stock options	2,137	21	92,366	—	—	92,387
Excess income tax benefit from exercise of stock options	—	—	6,857	—	—	6,857
Share-based compensation expense	—	—	26,009	—	—	26,009
Treasury stock purchases	—	—	—	(374,362)	—	(374,362)
Net income	—	—	—	—	478,177	478,177
Balance at August 4, 2007	**350,639**	**$3,506**	**$1,874,024**	**$(2,002,778)**	**$5,957,711**	**$5,832,463**

See accompanying Notes to Condensed Consolidated Financial Statements

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KOHL'S CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In Thousands)

	Six Months (26 Weeks) Ended	
	August 4, 2007	**July 29, 2006**
Operating activities		
Net income	**$ 478,177**	$ 399,602
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	**211,100**	189,645
Amortization of debt discount	**108**	108
Share-based compensation	**25,005**	21,086
Excess tax benefits from share-based compensation	**(6,857)**	(13,548)
Deferred income taxes	**(3,589)**	9,279
Changes in operating assets and liabilities:		
Accounts receivable, net	**—**	1,652,065
Merchandise inventories	**(229,781)**	(170,581)
Other current and long-term assets	**(35,393)**	(74,830)
Accounts payable	**140,852**	182,203
Accrued and other long-term liabilities	**160,930**	122,775
Income taxes	**(93,184)**	(49,131)
Net cash provided by operating activities	**647,368**	2,268,673
Investing activities		
Acquisition of property and equipment and favorable lease rights	**(1,035,007)**	(706,489)
Purchases of short-term investments	**(2,933,527)**	(6,595,769)
Sales of short-term investments	**3,329,201**	6,236,570
Proceeds from sale of property, plant and equipment	**28,700**	—
Other	**(1,905)**	(2,566)
Net cash used in investing activities	**(612,538)**	(1,068,254)
Financing activities		
Net borrowings under credit facilities	**295,000**	—
Payments of other long-term debt	**(13,961)**	(104,596)
Treasury stock purchases	**(374,362)**	(1,100,809)
Excess tax benefits from share-based compensation	**6,857**	13,548
Proceeds from stock option exercises	**92,387**	27,406
Net cash provided by (used in) financing activities	**5,921**	(1,164,451)
Net increase in cash and cash equivalents	**40,751**	35,968
Cash and cash equivalents at beginning of period	**189,170**	126,839
Cash and cash equivalents at end of period	**$ 229,921**	$ 162,807
Supplemental information:		
Interest paid, net of capitalized interest	**$ 27,939**	$ 35,508
Income taxes paid	**388,002**	278,349

See accompanying Notes to Condensed Consolidated Financial Statements

KOHL'S CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for fiscal year end financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. For further information, refer to the financial statements and footnotes thereto included in the Company's Form 10-K (Commission File No. 1-11084) filed with the Securities and Exchange Commission.

Due to the seasonality of the Company's business, results for any quarter are not necessarily indicative of the results that may be achieved for a full fiscal year. In addition, quarterly results of operations depend significantly upon the timing and amount of sales and costs associated with the opening of new stores.

The Company operates as a single business unit.

Certain reclassifications have been made to prior period financial information to conform to the current year presentation.

2. Net Sales

Revenue from the sale of the Company's merchandise at its stores is recognized at the time of sale, net of any returns. E-commerce sales are recorded upon the shipment of merchandise. Net sales do not include sales tax as the Company considers itself a pass-through conduit for collecting and remitting sales taxes. Revenue from gift card sales is recognized when the gift card is redeemed.

Gift card breakage revenue is based on historical redemption patterns and represents the balance of gift cards for which the Company believes the likelihood of redemption by a customer is remote.

3. Income Taxes

On February 4, 2007, the Company adopted FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109" ("FIN 48"), which clarifies the accounting and disclosure for uncertainty in tax positions, as defined. FIN 48 seeks to reduce the diversity in practice associated with certain aspects of the recognition and measurement related to accounting for income taxes.

The Company has analyzed filing positions in all of the federal and state jurisdictions where it is required to file income tax returns, as well as all open tax years in these jurisdictions. The only periods subject to examination for the Company's federal return are the 2003 through 2006 tax years. The audits of the 2001 and 2002 tax years have been completed without material adjustment. The periods subject to examination for the Company's state returns are generally years 2002 through 2006. Certain states have proposed adjustments which the Company is currently appealing. If it does not prevail on its appeals, the Company does not anticipate that the adjustments would result in a material change in its financial position.

As a result of the implementation of FIN 48, the Company recognized no change in the liability for unrecognized tax benefits. At the time of adoption of FIN 48, the Company had $52.6 million of unrecognized tax benefits recorded on its financial statements, net of any federal tax impact related to state taxes, all of which, if recognized, would impact the effective tax rate.

The Company recognizes interest and penalty expense related to unrecognized tax benefits in its provision for income tax expense. As of February 4, 2007, the Company had $8.2 million of accrued interest and penalties included in the $52.6 million of unrecognized tax benefits.

4. Share-Based Compensation

As of August 4, 2007, the Company has three long-term compensation plans pursuant to which share-based compensation may be granted. The Company's 1994 and 2003 long-term compensation plans provide for the granting of various forms of equity-based awards, including nonvested stock and options to purchase shares of the Company's common stock, to officers and key employees. The 1997 Stock Option Plan for Outside Directors provides for granting of equity-based awards to outside directors.

The majority of stock options granted to employees vest in four equal annual installments. Remaining stock option grants vest in five to ten equal annual installments. Outside directors' stock options are typically granted upon a director's election or re-election to the Company's Board of Directors. The vesting periods for outside directors' options are one to three years, depending on the length of the term to which the director is elected. Options that are surrendered or terminated without issuance of shares are available for future grants. All stock options have an exercise price equal to the fair market value of the common stock on the date of grant.

Share-based compensation transactions are accounted for in accordance with the provisions of Statement of Financial Accounting Standards No. 123(R), "Share-based Payment," requiring the Company to recognize expense related to the fair value of its stock option awards. The fair value of all share-based awards is estimated on the date of grant, which is defined as the date the award is approved by the Board of Directors (or management with the appropriate authority).

Stock compensation cost is recognized for new, modified and unvested stock option awards, measured at fair value and recognized as compensation cost over the vesting period. The Black-Scholes option valuation model was used to estimate the fair value of each option award based on the following assumptions:

	2007	2006
Dividend yield	**0%**	0%
Volatility	**0.304**	0.311
Risk-free interest rate	**4.7%**	4.7%
Expected life in years	**5.2**	5.2
Weighted average fair value at grant date	**$27.50**	$19.00

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Total compensation cost recognized related to options was $13.9 million for the three months ended August 4, 2007 and $10.0 million for the three months ended July 29, 2006. Total compensation cost recognized for options was $22.2 million for the six months ended August 4, 2007 and $18.9 million for the six months ended July 29, 2006.

The Company has also awarded nonvested restricted shares of common stock to eligible key employees. All awards have restriction periods tied primarily to employment and/or service. The awards vest over three to four years. The awards are expensed on a straight-line basis over the vesting period. Total compensation cost recognized related to nonvested restricted stock was $1.6 million for the three months ended August 4, 2007 and $1.0 million for the three months ended July 29, 2006. Total compensation cost recognized for nonvested restricted stock was $2.9 million for the six months ended August 4, 2007 and $1.9 million for the six months ended July 29, 2006.

Total unrecognized share-based compensation expense for all share-based payment plans was $166 million at August 4, 2007, of which approximately $26 million is expected to be recognized in the second half of 2007, $57 million in 2008, $43 million in 2009 and $40 million thereafter. Future compensation expense may be impacted by future grants, changes in forfeiture estimates and/or actual forfeitures which differ from estimated forfeitures.

5. Short-term Investments

Short-term investments consist primarily of municipal auction rate securities and are stated at cost, which approximates market value. Short-term investments are classified as available-for-sale securities and are highly liquid. These securities generally have a put option feature that allows the Company to liquidate the investments at par.

6. Contingencies

The Company is involved in various legal matters arising in the normal course of business. In the opinion of management, the outcome of such proceedings and litigation will not have a material adverse impact on the Company's consolidated financial statements.

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7. Net Income Per Share

The calculations of the numerator and denominator for basic and diluted net income per share are summarized as follows:

	Three Months Ended		Six Months Ended	
	August 4, 2007	July 29, 2006	August 4, 2007	July 29, 2006
	(In Thousands)			
Numerator for basic and diluted earnings per share—net income	**$269,224**	$232,358	**$478,177**	$399,602
Denominator for basic earnings per share—weighted average shares	**320,488**	333,394	**321,132**	339,270
Dilutive employee stock options and non-vested stock (a)	**2,725**	2,300	**3,033**	2,316
Denominator for diluted earnings per share	**323,213**	335,694	**324,165**	341,586

(a) Excludes 4.9 million options for the three months ended August 4, 2007, 3.6 million options for the three months ended July 29, 2006, 4.8 million options for the six months ended August 4, 2007 and 4.1 million options for the six months ended July 29, 2006 as the impact of such options was antidilutive.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Executive Summary

The Company continues to achieve strong growth in earnings and gross margin in 2007. For the quarter, net sales increased 8.7% and comparable store sales increased 1.3% over the prior year quarter. Year-to-date, net sales increased 10.2% and comparable store sales increased 2.5% over the comparable prior year period. The gross margin rate improved 137 basis points from 37.5% for the second quarter of 2006 to 38.9% this year. The year-to-date gross margin rate was 37.9%, a 105 basis point improvement over 36.9% in 2006.

Operating income increased 18.2% to $443.7 million for the quarter and 20.1% to $789.8 million for the year-to-date period. As a percent of net sales, operating income increased approximately 100 basis points to 12.4% for the quarter and 91 basis points to 11.0% for the six months ended August 4, 2007.

Net income increased 15.9% over the prior year to $269.2 million for the quarter and 19.7% to $478.2 million for the six months ended August 4, 2007. Diluted earnings per share increased 20.3% over the comparable prior year quarter to $0.83. Year-to-date diluted earnings per share increased 26.1% to $1.48.

The Company continues to see positive results from its merchandise content initiatives as it expands its appeal to a broader range of customers. Men's had the strongest comparable store sales in both the quarter and year-to-date periods on strong performance in tailored clothing, basics and dress shirts. The Children's, Home and Footwear lines of business also outperformed the Company. Boys and infant/toddler led the Children's business while Home performance was driven by strength in bedding, luggage and decorative home. The Footwear business was driven by athletic and children's shoes. In Women's, the updated/contemporary business continues to perform well while classic sportswear remains difficult. The strongest category in Accessories was the Company's beauty and fragrance business.

Private and exclusive brands as a percentage of total sales continue to grow as a result of the Company's merchandise content and "Only at Kohl's" marketing initiatives. For the six months ended August 4, 2007, sales of private and exclusive brands reached 36.6% of net sales, an increase of 320 basis points over the prior year. The Company continues to see strong performance from exclusive brands launched this year, including the expansion of Chaps into plus size apparel and Home and Tony Hawk into Footwear. In addition, the very successful Elle exclusive brand will be rolled out to 250 additional stores later this Fall and to all stores by first quarter 2008.

During September, two important initiatives – the Company's partnership with Vera Wang in merchandise categories across the store and The Food Network alliance in the Home business – will be introduced.

Significant benefits of the Company's inventory management initiatives have been recognized thus far in 2007. Gross margin as a percentage of net sales increased 137 basis points over the prior year quarter and 105 basis points over the prior year-to-date period. The Company continues to focus on receipt flow which results in better transitions and lower overall clearance levels. The markdown optimization program, improved inventory shortage and higher levels of private and exclusive brand sales also contributed to the higher gross margin percentages.

The Company continues to focus on profitable expansion in both existing and new markets. Seventeen stores were successfully opened during the first half of the year, including the Company's first three stores in the state of Idaho, three stores each in the Northeast and Southeast regions, two stores each in the Mid-Atlantic, South Central and Southwest regions, and one store each in the Midwest and Northwest regions.

The Company remains on track to meet its goal of opening 415 stores between 2007 and 2010. Most of the 95 stores which are expected to open in the second half of 2007 will open in the third quarter. In the Fall of 2007, the Company will open the majority of the Mervyn's locations it previously acquired in the Pacific Northwest, giving the Company a greater presence in the Portland and Seattle markets.

As of August 4, 2007, the Company operated 834 stores in 46 states compared with 749 stores in 43 states at July 29, 2006. Total square feet of selling space increased 9.8% from 57.9 million at July 29, 2006 to 63.5 million at August 4, 2007.

Results of Operations

Net Sales

	August 4, 2007	July 29, 2006	Increase $	Increase %
	(Dollars in Thousands)			
Net sales:				
Quarter	**$3,589,210**	$3,301,507	$287,703	8.7%
Year-to-date	**7,161,250**	6,497,843	663,407	10.2

New store openings, including 17 stores in the first half of 2007 and 68 stores in the second half of 2006, contributed $246.4 million to the increase in net sales for the quarter. Comparable store sales, which are sales from stores (including e-commerce sales and relocated or expanded stores) open throughout the full current and prior fiscal year periods, contributed $41.3 million to the increase. The 1.3% comparable store sales increase was the result of a 2.5% increase in average transaction value which was partially offset by a 1.2% decrease in the number of transactions per store.

Year-to-date, new stores contributed $501.0 million to the $663.4 million increase in net sales over the prior year. The remaining $162.4 million, which represents a 2.5% increase in comparable store sales, is the result of a 3.2% increase in average transaction value which was partially offset by a 0.7% decrease in the number of transactions per store.

The Men's business and the Mid-Atlantic region led the Company for both the quarter and year-to-date. For the year-to-date period, all lines of business posted positive comparable store sales increases. E-commerce sales increased 70.3% to $48.9 million for the three months ended August 4, 2007 and 67.9% to $101.3 million year-to-date as the Company continues to expand the selections offered on-line.

Gross Margin

	August 4, 2007	July 29, 2006	Increase $	Increase %
		(Dollars in Thousands)		
Gross margin:				
Quarter	**$1,396,409**	$1,239,342	$157,067	12.7%
Year-to-date	**2,714,245**	2,394,713	319,532	13.3
Gross margin as a percent of net sales:				
Quarter	**38.9%**	37.5%	—	—
Year-to-date	**37.9**	36.9	—	—

Newly-opened stores contributed $89.6 million to the increase in gross margin for the quarter and $170.3 million year-to-date. Comparable store gross margin increased $67.5 million for the quarter and $149.2 million year-to-date. Gross margin as a percent of net sales was 38.9% for the three months ended August 4, 2007 compared to 37.5% for the three months ended July 29, 2006. For the year-to-date period, gross margin as a percent of net sales was 37.9% in 2007 and 36.9% in 2006.

The improvement in gross margin as a percent of net sales was driven by the continued impact of the Company's merchandise and inventory management initiatives, improved markup, the adoption of markdown optimization, better inventory shortage results and increased penetration of private and exclusive brands. Private and exclusive brands increased to 37.3% of net sales for the three months ended August 4, 2007 compared to 34.3% of net sales for the three months ended July 29, 2006. Year-to-date, private and exclusive brands represented 36.6% of net sales for 2007, a 320 basis point improvement over 33.4% for 2006.

Operating Expenses

	August 4, 2007	July 29, 2006	Increase $	Increase %
		(Dollars in Thousands)		
S,G&A:				
Quarter	**$ 837,790**	$ 759,756	$ 78,034	10.3%
Year-to-date	**1,696,264**	1,528,644	167,620	11.0
S,G&A as a percent of net sales:				
Quarter	**23.3%**	23.0%	—	—
Year-to-date	**23.7**	23.5	—	—

Selling, general and administrative expenses ("S,G&A") include all direct store expenses such as payroll, occupancy and store supplies and all costs associated with the Company's distribution centers, advertising and corporate functions, but exclude depreciation and amortization and preopening expenses. The Company achieved leverage in credit and distribution centers

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for both the quarter and year-to-date periods. Stores, advertising and corporate did not leverage for either period primarily due to the timing of sales during the quarter and the Company's desire to maintain a positive customer in-store experience. The increase in year-to-date store operating expenses was also driven by the incremental expenses associated with increased remodel activity. The Company has remodeled 24 more stores in 2007 than it did in 2006.

	August 4, 2007	July 29, 2006	Increase $	Increase %
		(Dollars in Thousands)		
Depreciation and amortization:				
Quarter	**$106,146**	$ 96,105	$10,041	10.4%
Year-to-date	**210,834**	189,377	21,457	11.3

The increases in depreciation and amortization for both the quarter and year-to-date periods are primarily attributable to the addition of new stores and the mix of owned compared to leased stores. Depreciation on remodels and the Company's new point of sale system also contributed to the increases.

	August 4, 2007	July 29, 2006	Increase (Decrease) $	Increase (Decrease) %
		(Dollars in Thousands)		
Preopening expenses:				
Quarter	**$ 8,748**	$ 8,062	$ 686	8.5%
Year-to-date	**17,337**	19,059	(1,722)	(9.0)

Preopening expenses are expensed as incurred and represent the costs associated with new store openings including advertising, hiring and training costs for new employees, processing and transporting initial merchandise and rent expenses. The average cost per store fluctuates based on the mix of stores opened in new markets compared to existing markets, with new markets being more expensive. The Company opened 17 new stores in both the six months ended August 4, 2007 and July 29, 2006. Preopening expenses increased over the prior year quarter as the Company is opening 95 stores in the Fall of 2007 compared to 68 in the Fall of 2006. Year-to-date, the average cost to open a store decreased in 2007 compared to 2006 due to shifting more advertising to the post-grand opening period.

Operating Income

	August 4, 2007	July 29, 2006	Increase $	Increase %
		(Dollars in Thousands)		
Operating income:				
Quarter	**$443,725**	$375,419	$ 68,306	18.2%
Year-to-date	**789,810**	657,633	132,177	20.1
Operating income as a percent of net sales:				
Quarter	**12.4%**	11.4%	—	—
Year-to-date	**11.0**	10.1	—	—

As a result of the above factors, operating income as a percent of net sales was 12.4% for the three months ended August 4, 2007 compared to 11.4% for the three months ended July 29, 2006. For the six month periods, operating income as a percent of net sales was 11.0% for 2007 compared to 10.1% for 2006.

Interest Expense, Net

	August 4, 2007	July 29, 2006	Increase $	Increase %
		(Dollars in Thousands)		
Interest expense, net:				
Quarter	**$10,541**	$ 6,011	$4,530	75.4%
Year-to-date	**20,688**	20,206	482	2.4

The increase in net interest expense in both periods was primarily due to a decrease in interest income as a result of lower average investments. Last year's interest income included the investment of the $1.6 billion received from the sale of the Company's credit card portfolio. As of August 4, 2007, the Company's investments totaled $35.6 million as previous investments were used to fund stock repurchases.

Provision for Income Taxes

	August 4, 2007	July 29, 2006	Increase $	Increase %
		(Dollars in Thousands)		
Provision for income taxes:				
Quarter	**$163,960**	$137,050	$26,910	19.6%
Year-to-date	**290,945**	237,825	53,120	22.3

The Company's effective tax rate was 37.8% for the three months ended August 4, 2007 compared to 37.1% for the three months ended July 29, 2006. For the six month periods, the effective tax rate was 37.8% for 2007 and 37.3% for 2006. The increases in the effective tax rates are primarily due to the mix of new stores in certain jurisdictions.

Seasonality & Inflation

The Company's business, like that of most retailers, is subject to seasonal influences, with the major portion of sales and income typically realized during the last half of each fiscal year, which includes the back-to-school and holiday seasons. Approximately 15% of sales typically occur during the back-to-school season and 30% during the holiday season. Because of the seasonality of the Company's business, results for any quarter are not necessarily indicative of the results that may be achieved for a full fiscal year. In addition, quarterly results of operations depend significantly upon the timing and amount of sales and costs associated with the opening of new stores.

The Company does not believe that inflation has had a material effect on its results during the periods presented. However, there can be no assurance that the Company's business will not be affected by such factors in the future.

Financial Condition and Liquidity

The Company's primary ongoing cash requirements are for capital expenditures in connection with the Company's expansion and remodeling programs and seasonal and new store inventory purchases. The Company's primary sources of funds for its business activities are cash flow from operations, short-term trade credit and its lines of credit.

	Six Months Ended			
	August 4, 2007	July 29, 2006	Increase (Decrease) $	Increase (Decrease) %
	(Dollars in Thousands)			
Net cash provided by (used in):				
Operating activities	**$ 647,368**	$ 2,268,673	$(1,621,305)	(71.5)%
Investing activities	**(612,538)**	(1,068,254)	455,716	42.7
Financing activities	**5,921**	(1,164,451)	1,170,372	100.5

Operating Activities. The decrease in cash flow provided by operations was primarily due to the cash proceeds of $1.6 billion received by the Company in conjunction with the sale of the proprietary credit card accounts on April 21, 2006. The primary use of cash flow for the six months ended August 4, 2007 was an increase in merchandise inventories of $229.8 million. The primary sources of cash flow in 2007 were an increase in accounts payable and accrued liabilities of $301.8 million and a 20% increase in net income. Short-term trade credit, in the form of extended payment terms for inventory purchases, represents a significant source of financing for merchandise inventories.

Key financial ratios that provide certain measures of the Company's liquidity are as follows:

	August 4, 2007	February 3, 2007	July 29, 2006
Working capital (In Thousands)	**$904,193**	$1,482,382	$1,401,541
Current ratio	**1.38:1**	1.77:1	1.76:1
Debt/capitalization	**18.8%**	15.9%	16.5%

The reduction in working capital and the current ratio as of August 4, 2007 compared to July 29, 2006, was primarily due to short-term investments and short-term debt borrowings used to fund share repurchases made subsequent to July 29, 2006. The increase in the debt/capitalization ratio represents higher debt levels, partially offset by higher capitalization. The higher debt levels are primarily the result of draws on the senior unsecured revolving facility which were used primarily for share repurchases. The higher capitalization is the result of earnings and stock option exercises, partially offset by share repurchases.

Merchandise inventories increased $409.7 million, or 17.0%, from the July 29, 2006 balance primarily due to the increase in the number of stores. On an average per store basis, merchandise inventories at August 4, 2007 increased 5.1% from July 29, 2006. Compared to February 3, 2007, merchandise inventories at August 4, 2007 increased $229.8 million, or 8.9%, due to normal business seasonality, the opening of 17 new stores and increased shipments of import merchandise.

Accounts payable at August 4, 2007, increased $63.1 million from July 29, 2006 and $140.9 million from February 3, 2007. Accounts payable as a percent of inventory was 38.2% at August 4, 2007, compared to 42.0% at July 29, 2006, reflecting higher imports in transit.

Investing Activities. The decrease in net cash used in investing activities was due to a $754.9 million change in net short-term investment activities which was partially offset by a $328.5 million increase in capital expenditures. Net short-term investment activity generated $395.7 million in proceeds in 2007 which were primarily used to repurchase treasury stock. In 2006, net short-term investment activity resulted in a use of funds of $359.2 million as proceeds from the private label credit card transaction on April 21, 2006 exceeded cash used to repurchase common stock.

Total capital expenditures, which include costs for new store openings, store remodels, distribution center openings and other base capital needs, are expected to be approximately $1.6 billion for fiscal 2007. The actual amount of the Company's future annual capital expenditures will depend primarily on the number of new stores opened, the mix of owned, leased or acquired stores, the number of stores remodeled and the timing of distribution center openings.

Financing Activities. The Company expects to fund growth with available cash and short-term investments, proceeds from cash flows from operations, short-term trade credit, seasonal borrowings under its revolving credit facilities and other sources of financing. The Company believes it has sufficient lines of credit, cash and short-term investments and expects to generate adequate cash flows from operating activities to sustain current levels of operations. The Company drew $295.0 million on its $900 million senior unsecured revolving facility ("revolver") during the current quarter. The proceeds were used primarily for treasury stock repurchases. Weighted-average borrowings under the revolver were $44.8 million for the quarter and $22.4 million year-to-date. In addition, the Company has two demand notes, neither of which was drawn at August 4, 2007, with availability totaling $50.0 million.

The Company completed its $2.0 billion share repurchase program in the second quarter of 2007, purchasing 5.3 million shares for $373 million at an average price of approximately $70 per share in the quarter ended August 4, 2007. Since announcing the plan in April 2006, the Company has purchased 32.8 million shares at an average price of approximately $61 per share. The Company also acquires shares from employees in lieu of amounts required to satisfy minimum tax withholding requirements upon the vesting of the employee's restricted stock. Such shares are then designated as treasury shares.

Contractual Obligations

There have been no significant changes in the contractual obligations disclosed in the Company's Annual Report on Form 10-K for the year ended February 3, 2007.

The Company adopted the provisions of FIN 48 on February 4, 2007 and the related liability for unrecognized tax benefits was $52.6 million. Although payment of such amounts in future periods could affect liquidity and cash flows, the Company is currently unable to reasonably estimate the period of cash settlement.

The Company's various debt agreements contain certain covenants that limit, among other things, additional indebtedness, as well as require the Company to meet certain financial tests. As of August 4, 2007, the Company was in compliance with all financial covenants of the debt agreements and expects to remain in compliance for the upcoming year.

Off-Balance Sheet Arrangements

The Company has not provided any financial guarantees as of August 4, 2007.

The Company has not created, and is not party to, any special-purpose or off-balance sheet entities for the purpose of raising capital, incurring debt or operating the Company's business. The Company does not have any arrangements or relationships with entities that are not consolidated into the financial statements that are reasonably likely to materially affect the Company's liquidity or the availability of capital resources.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the Company to make estimates and assumptions that affect reported amounts. Management has discussed the development, selection and disclosure of its estimates and assumptions with the Audit Committee of the Board of Directors. There have been no significant changes in the critical accounting policies and estimates discussed in the Company's Annual Report on Form 10-K for the year ended February 3, 2007.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no significant changes in the market risks described in the Company's Annual Report on Form 10-K for the year ended February 3, 2007.

Item 4. Controls and Procedures

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company's reports filed under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported within the specified time periods. As of the end of the period covered by this report, the Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of these disclosure controls and procedures pursuant to Rule 13a-15 of the Exchange Act. Based on that evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective in ensuring that information required to be disclosed in the Company's reports is recorded, processed, summarized and reported within the specified time periods and are also effective in ensuring that information required to be disclosed in reports filed or submitted under the Exchange Act are accumulated and communicated to management, including the Company's principal executive and principal financial officer, to allow timely decisions regarding required disclosures.

There were no changes in the Company’s internal control over financial reporting that occurred during the last fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1A. Risk Factors

There have been no significant changes in the Company’s risk factors from those described in its Annual Report on Form 10-K for the year ended February 3, 2007.

Forward-looking Statements

This report contains statements that may constitute forward-looking statements within the meaning of the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Those statements relate to developments, results, conditions or other events the Company expects or anticipates will occur in the future. The Company intends words such as “believes,” “anticipates,” “plans,” “expects” and similar expressions to identify forward-looking statements. Without limiting the foregoing, these statements may relate to future outlook, revenues, earnings, store openings, planned capital expenditures, market conditions, new strategies and the competitive environment. Forward-looking statements are based on management’s then current views and assumptions and, as a result, are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. Any such forward-looking statements are qualified by the important risk factors, described in Item 1A of the Company’s Annual Report on Form 10-K filed with the SEC on March 23, 2007, that could cause actual results to differ materially from those predicted by the forward-looking statements. Forward-looking statements relate to the date initially made, and the Company undertakes no obligation to update them. An investment in the Company’s common stock or other securities carries certain risks. Investors should carefully consider the risks as stated in the Company’s Form 10-K and other risks which may be disclosed from time to time in the Company’s filings with the SEC before investing in the Company’s securities.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

During the quarter ended August 4, 2007, the Company did not sell any securities which were not registered under the Securities Act.

During the current quarter, the Company completed its $2.0 billion share repurchase program which was announced in March 2006. The share repurchase program was executed in open market transactions.

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The following table contains information for both shares repurchased pursuant to the Company's repurchase program and shares acquired from employees in lieu of amounts required to satisfy minimum tax withholding requirements upon the vesting of the employees' restricted stock during the three fiscal months ended August 4, 2007:

Period	Total Number of Shares Purchased During Period	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
May 6 – June 2, 2007	331,096	$73.25	330,300	$349,000,000
June 3 – July 7, 2007	3,138,860	70.75	3,138,461	127,000,000
July 8 – August 4, 2007	1,867,213	68.09	1,864,878	—
Total	5,337,169	$69.97	5,333,639	—

Item 6. Exhibits

10.1 Kohl's Corporation 2005 Deferred Compensation Plan, as amended and restated effective August 14, 2007

31.1 Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

31.2 Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

32.1 Certification of Periodic Report by Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

32.2 Certification of Periodic Report by Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

	Kohl's Corporation (Registrant)
Date: September 7, 2007	/s/ R. Lawrence Montgomery
	R. Lawrence Montgomery Chief Executive Officer and Director
Date: September 7, 2007	/s/ Wesley S. McDonald
	Wesley S. McDonald Chief Financial Officer

Exhibit 10.1

KOHL'S CORPORATION

2005

DEFERRED COMPENSATION PLAN

Amended & Restated Effective August 14, 2007

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KOHL'S CORPORATION

2005

DEFERRED COMPENSATION PLAN

Amended & Restated Effective August 14, 2007

WHEREAS, Kohl's Corporation has adopted the Kohl's Corporation 2005 Deferred Compensation Plan to permit certain of its and its affiliate entities' senior management employees to provide supplemental retirement income benefits through the deferral of salary, bonus and incentive compensation in accordance with Section 409A of the Internal Revenue Code; and

WHEREAS, Kohl's Corporation adopted the Kohl's Corporation 2005 Deferred Compensation Plan effective December 10, 2004, amended and restated the Plan effective as of January 1, 2005, and further amends and restates the Plan effective as of August 14, 2007, as follows:

ARTICLE I

TITLE AND DEFINITIONS

1.1. Title. This Plan shall be known as the Kohl's Corporation Deferred Compensation Plan.

1.2. Definitions. Whenever the following words and phrases are used in this Plan, with the first letter capitalized, they shall have the meaning specified below:

a) "Account" or "Accounts" shall mean a Participant's Deferral Account.

b) "Administrative Committee" shall mean the committee appointed by the Board of Kohl's Corporation to administer the Plan.

c) "Base Salary" shall mean a Participant's annual base salary, excluding Performance Bonuses and all other remuneration for services rendered to the Company.

d) "Beneficiary" or "Beneficiaries" shall mean the person or persons, including a trustee, personal representative or other fiduciary, last designated in writing by a Participant in accordance with procedures established by the Administrative Committee to receive the benefits specified hereunder in the event of the death of a Participant. No beneficiary designation shall become effective until it is filed with the Administrative Committee. Any designation shall be revocable at any time through the filing of a new beneficiary designation by the Participant with the Administrative Committee with or without the consent of the previous Beneficiary. If there is no such designation, then the surviving spouse of the Participant shall be the Beneficiary. If there is no surviving spouse to receive any benefits payable in accordance with the preceding sentence, the estate of the Participant shall be the Beneficiary. In the event any amount is payable under the Plan to a minor, then payment shall be made to the duly appointed and currently acting guardian of the estate for the minor or, if no guardian of the estate for the minor is duly appointed and currently acting within sixty (60) days after the date the amount becomes payable (or such extended period as the Administrative Committee determines is reasonably necessary to allow such guardian to be appointed), payment shall be deposited with the court having jurisdiction over the estate of the minor. The Company may condition any payment hereunder on the receipt of such release as the Company may request. Payment by the Company pursuant to any beneficiary designation, or to the spouse or estate of the Participant if no such designation exists, of all benefits owed hereunder shall terminate any and all liability of Company.

e) “Board of Directors” shall mean the Board of Directors of the Company.

f) “Change of Control” shall mean the occurrence of (1) the acquisition (other than from Kohl’s Corporation) by an person, entity, or group (within the meaning o Section 13(d)(3) or 14(d)(2) of the Securities and Exchange Act of 1934, as amended (the “Exchange Act”), other than Kohl’s Corporation, a subsidiary of Kohl’s Corporation, or any employee benefit plan or plans sponsored by Kohl’s Corporation or any subsidiary of Kohl’s Corporation, directly or indirectly, of beneficial ownership (within the meaning of Exchange Act Rule 13d-3) of 33% or more of the then outstanding shares of common stock of Kohl’s Corporation or voting securities representing 33% or more of the combined voting power of Kohl’s Corporation’s then outstanding voting securities ordinarily entitled to vote in the election of directors unless the incumbent Board (as defined below) before such acquisition or within 30 days thereafter, deems such acquisition not to be a Change of Control; or (2) individuals who, as of the date this Plan is adopted by the Board, constitute the Board (as of such date , the “Incumbent Board”) ceasing for any reason to constitute a majority of such Board; provided, however, that any person becoming a director subsequent to the date this Plan is adopted by the Board whose election, or nomination for election by the shareholders of Kohl’s Corporation, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be for purposes of this Plan, considered as though such person were a member of the Incumbent Board but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest which was (or, if threatened, would have been) subject to Exchange Act Rule 14a-12(c); or (3) the consummation of any merger, consolidation or share exchange of Kohl’s Corporation with any other corporation, other than a merger, consolidation or share exchange which results in more than 60% of the outstanding shares of the common stock, and voting securities representing more than 60% of the combined voting power of then outstanding voting securities entitled to vote generally in the election of directors, of the surviving, consolidated or resulting corporation being then beneficially owned, directly or indirectly, by the persons who were Kohl’s Corporation’s shareholders immediately prior to such transaction in substantially the same proportions as their ownership, immediately prior to such transaction, of Kohl’s Corporation’s then outstanding common stock or then outstanding voting securities, as the case may be; or (4) the consummation of any liquidation or dissolution of Kohl’s Corporation or a sale or other disposition of all or substantially all of the assets of Kohl’s Corporation. Notwithstanding the foregoing, a transaction or series of related transactions shall not constitute a Change of Control hereunder unless it or they also constitute a change in control within the meaning of Section 409A of the Code and the regulations promulgated thereunder.

g) “Code” shall mean the Internal Revenue Code of 1986, as amended.

h) “Company” shall mean Kohl’s Corporation and any successor corporations and each corporation which is an “affiliate” member of a controlled group of corporations (within the meaning of Section 414(b) of the Code) of which Kohl’s Corporation is a component member, if the Board of Kohl’s Corporation and the Board of Directors of the applicable corporation provides that such corporation shall participate in the Plan.

i) “Compensation” shall mean Base Salary, Performance Bonuses, and other compensation that the Participant is entitled to receive for services rendered to the Company.

j) “Competition with the Company” means that a Participant, directly or indirectly, whether as a partner, officer, director, employee, manager, consultant or otherwise, during the one (1) year period following the Participant’s Termination of Employment provides Restricted Services for or on behalf of any Competitive Business or, during such one (1) year period, provides any Competitive Business with any advice or counsel in the nature of the Restricted Services.

k) “Competitive Business” shall mean any entity that as of the time of the determination (i) generates more than Five Hundred Million Dollars ($500,000,000) in annual revenues; and (ii) operates or owns a Retail Business. “Competitive Business” shall also include a business that provides a buying office or sourcing service to a Retail Business. “Retail Business” means any business engaged in the sale of products at retail which derives at least twenty percent (20%) of its annual revenue from the sale of Goods in the United States and includes, without limitation, any such business that (i) owns or operates Internet-based or other electronic retail sales or (ii) owns or operates retail stores if such business owns or operates stores located within twenty-five (25) miles of any store operated by the Company.

l) “Credit Rate” for each Fund shall mean an amount equal to the net gain or loss on the assets deemed invested in each Fund by the Participant during each month.

m) “Deferral Account” shall mean the bookkeeping account maintained by the Administrative Committee for each Participant that is credited with amounts equal to (1) the portion of the Compensation the Participant elects to defer; and (2) net earnings and losses on such amount as provided herein; less (3) withdrawals, forfeitures and expenses allocated by the Administrative Committee to the Deferral Account of the Participant.

n) “Dependent” shall mean an individual described in Section 152(a) of the Code.

o) “Disability,” shall mean the Participant is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, either (i) receiving income replacement benefits for a period of not less than 3 months under an accident and health plan covering employees of the Participant’s employer or (ii) unable to engage in any substantial gainful activity.

p) “Distributable Amount” shall mean the amounts credited to the Deferral Account of a Participant for any Plan Year, adjusted in accordance with the Credit Rate until the date of distribution, and reduced by any fees or expenses associated with administering this Plan which are not paid by the Company.

q) “Effective Date” shall mean December 10, 2004.

r) “Eligible Employee” shall mean such management employees that are actively employed by the Company on a full time basis as are designated by the Board for participation in this Plan.

s) “ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

t) “Fund” or “Funds” shall mean one or more of the investment funds selected by the Administrative Committee from time to time.

u) “Goods” shall mean merchandise categories that comprise at least ten percent (10%) of the Company’s annual revenues during the twelve (12) months prior to Employee’s last date of employment with the Company.

v) “Initial Election Period” for an Eligible Employee shall mean the period established by Kohl’s Corporation that ends prior to the beginning of the Plan Year for which an election is being made, or, if later, the thirty (30) day period following the date the employee initially becomes an Eligible Employee.

w) “Participant” shall mean any Eligible Employee who becomes a Participant in accordance with Article II hereof.

x) “Performance Bonuses” shall mean the performance bonus earned by a Participant during the Company’s fiscal year, as such performance bonuses may be determined by the Company.

y) “Plan” shall mean the Kohl’s Corporation 2005 Deferred Compensation Plan set forth herein, as amended from time to time.

z) “Plan Year” shall mean the twelve (12) consecutive monthly periods beginning on January 1 and ending on December 31 of each year, or such shorter period beginning on the date an Eligible Employee becomes a Participant and ending on the last day of the calendar year.

aa) “Policy” shall mean any insurance policy purchased in connection with this Plan.

bb) “Restricted Services” shall mean services of any kind or character comparable to those Participant provided to the Company during the eighteen (18) month period immediately preceding Participant’s last date of employment with the Company.

cc) “Scheduled In-Service Withdrawals” mean distributions while the Participant is still employed by the Company.

dd) “Termination of Employment” shall mean that the Participant and the Company reasonably anticipate that (i) no further services will be performed by the Participant for the Company after a certain date, or (ii) the level of bona fide services the Participant will perform after such date (whether as an employee or as an independent contractor) will permanently decrease to no more than 20 percent of the average level of bona fide services performed (whether as an employee or an independent contractor) over the immediately preceding 36-month period (or the full period of services to the employer if the employee has been providing services to the employer less than 36 months).

ee) “Trust” shall mean the irrevocable trust created by the Company into which the Company shall deposit funds pursuant to paragraph 4.2 of the Plan.

ARTICLE II

ELIGIBILITY AND PARTICIPATION

2.1. Eligibility. The Board shall from time to time determine the employees of the Company that are Eligible Employees. The Administrative Committee shall promptly notify each employee of the Company designated as an Eligible Employee of his/her right to participate in the Plan. The designation of an employee of the Company as an Eligible Employee for any Plan Year shall not confer upon such employee a right to continue as an Eligible Employee in any other Plan Year.

2.2. Participant. A participant in the Kohl’s Corporation Amended and Restated Deferred Compensation Plan immediately prior to the Effective Date shall be eligible to be a Participant in this Plan. An employee of the Company who was an Eligible Employee prior to the Effective Date, but not a Participant in the Kohl’s Corporation Amended and Restated Deferred Compensation Plan, may become a Participant in accordance with rules established by the Administrative Committee. An employee of the Company who becomes an Eligible Employee may become a Participant in the Plan in accordance with rules established by the Administrative Committee.

ARTICLE III

DEFERRAL ELECTIONS

3.1. Elections to Defer Compensation.

a) General Rule. The amount of Compensation which an Eligible Employee may elect to defer is Compensation earned on or after the effective date of the election by the Eligible Employee to defer in accordance with this Article III. The Eligible Employee shall generally be eligible to defer a percentage or dollar amount of compensation which shall not exceed one hundred percent (100%) of the Eligible Employee’s Compensation, provided that the total amount deferred by a Participant shall be limited in any Plan Year to an amount in excess of the amount required to satisfy social security tax (including Medicare and any other applicable tax or similar assessment), income tax and employee benefit plan withholding requirements as determined by the Administrative Committee. The minimum deferral that may be made for any Plan Year by an Eligible Employee shall not be less than Five Thousand Dollars ($5,000.00), provided, however, the minimum deferral for the Initial Election Period for persons who become Eligible Employees after the beginning of the applicable Plan Year shall be prorated based on the number of months of participation remaining in the calendar year.

b) Initial Election Period. The Administrative Committee shall establish rules regarding (i) the participation by employees of the Company who were not Eligible Employees prior to the Effective Date; (ii) the participation of employees of the Company who were Eligible Employees prior to the Effective Date but were not Participants; and (iii) additional deferrals of compensation by previous Participants.

c) Annual Election. An Eligible Employee's election during the Initial Election Period to defer Compensation shall be in effect only for the Plan Year to which such election relates. Any subsequent election with respect to Compensation must be filed by date designated by the Company in the year prior to the year the Compensation is earned. Notwithstanding the foregoing, in accordance with Q&A-21 of IRS Notice 2005-1, in 2005, an Eligible Employee's election with respect to Compensation which has not been paid or become payable at the time of election may be filed at any time prior to March 15, 2005. The failure to make an election with respect to any Compensation earned during the Plan Year shall result in no deferral of Compensation for such Plan Year. The Administrative Committee shall from time to time promulgate rules applicable to elections to defer Compensation.

d) Duration of Compensation Deferral Election. An Eligible Employee's election to defer Compensation in accordance with this Plan shall be effective, and become irrevocable, on the first day of the first pay period during a Plan Year beginning after such Initial Election Period. In the case of an Eligible Employee whose Initial Election Period begins after the commencement of the Plan Year, the portion of his or her Performance Bonus that can be deferred cannot exceed the amount attributable to services performed after the election, computed in accordance with Section 409A of the Code and the regulations promulgated thereunder. Any election that is made after the applicable Initial Election Period shall be effective on the first day of the Plan Year following such election.

3.2. Investment Elections.

a) The Administrative Committee shall from time to time select the Funds available for investment designation by Participants with respect to Deferral Accounts. The Administrative Committee shall notify Participants of the type of the Funds selected from time to time. At the time of making the deferral elections described in Section 3.1, each Participant shall designate, on a form provided by the Administrative Committee, the investment funds the Account of the Participant will be deemed to be invested in for purposes of determining the Credit Rate to be credited to that Account. In making the designation, a Participant may specify that all or any percentage of his/her Deferral Account (in one percent (1%) or more whole percentage increments) be deemed to be invested in one or more Funds selected by the Administrative Committee.

Effective as of the end of any calendar month, a Participant may change the investment designation made by filing an election by the 25th day of any calendar month, on a form provided by the Administrative Committee, or, if available, by making the change in investment designation on-line, on a web site established for this purpose. Such change shall be effective as of the beginning of the next calendar month. If a Participant fails to timely elect a Fund, he/she shall be deemed to have elected the money market type of investment or such other Fund as the Administrative Committee may from time to time designate as the Fund to be employed if no timely election is made. A Participant may make investment elections either prior to or after Termination of Employment, or in the event of a Participant's death, the Beneficiary designated by the Participant may make investment elections.

b) Although the Participant may designate the Funds, the Administrative Committee shall not be bound to invest such amount in any specific Fund and shall have no liability to Participants for failure to so invest. The Administrative Committee shall select from time to time, in its sole discretion, commercially available investment Funds of the investment types determined from time to time by the Administrative Committee. The Administrative Committee may from time to time select alternate Funds in addition to or in replacement of Funds previously selected. If the Administrative Committee selects alternate Funds to replace a Fund previously selected by the Participant, the Participant shall be notified to change their investment designation to a different Fund and if the Participant fails to timely make such change, the Participant's investment designation to a replaced Fund shall be substituted with an investment designation to an equivalent alternate Fund. The Credit Rate of each such commercially available investment fund shall be used to determine the amount of earnings or losses to be credited to the Account of the Participant.

ARTICLE IV

ACCOUNTS AND TRUST FUNDING

4.1. Deferral Accounts. The Administrative Committee shall establish and maintain a Deferral Account for each Participant under the Plan. Each Participant's Deferral Account shall be further divided into separate subaccounts ("Investment Fund Subaccounts"), each of which corresponds to a Fund selected by the Participant. A Participant's Deferral Account shall be credited as follows:

a) As of the last day of each month, the Administrative Committee shall credit the Participant's Deferral Account with an amount equal to Compensation deferred by the Participant during each pay period occurring in that month in accordance with the deferral election of the Participant. Compensation that the Participant has elected to be deemed to be invested in a certain type of Fund shall be credited to the Investment Fund Subaccount as of the end of the month.

b) As of the last day of each month, each Investment Fund Subaccount of a Participant's Deferral Account shall be credited with earnings or losses in an amount equal to that determined by multiplying the balance credited to such Investment Fund Subaccount as of the last day of the preceding month by the Credit Rate for the applicable month for the corresponding Fund in which the amount is deemed invested.

4.2. Trust Funding. The Company has created a Trust into which the Company shall deposit amounts equal to the amounts deferred by Participants. The Company shall cause the Trust to be funded each month. The Company shall contribute to the Trust an amount equal to the amount deferred by each Participant for each month during the Plan Year.

The principal of the Trust and any earnings thereon shall be held separate and apart from other funds of Company and, except as otherwise provided herein, shall be used exclusively for the uses and purposes of Plan Participants and beneficiaries as set forth therein. Notwithstanding the foregoing, neither the Participants nor their beneficiaries shall have any preferred claim on, or any beneficial ownership in, any assets of the Trust prior to the time such assets are paid to the Participants or beneficiaries as benefits. All amounts credited under this Plan shall represent unsecured contractual rights of Plan Participants and beneficiaries against the Company. Any assets held in the Trust will be subject to the claims of general creditors of the Company under federal and state law in the event of insolvency as defined in the Trust.

Except as provided above, and except for amounts forfeited by a Participant hereunder, the assets of the Plan and Trust shall not inure to the benefit of the Company other than in the case of insolvency as defined in the Trust, and the same shall be held for the purpose of providing benefits to Participants and their beneficiaries and defraying reasonable expenses of administering the Plan and Trust.

ARTICLE V

DISTRIBUTION OF DEFERRED COMPENSATION

5.1. Distribution Due to Termination of Employment. The Distributable Amount for any Plan Year shall be distributed to the Participant (and after his/her death to his/her Beneficiary) in accordance with the Participant's election for such Plan Year. In the case of distributions which begin after the Termination of Employment of a Participant other than for death or Disability, the Distributable Amount shall be paid to the Participant (and after his/her death to his/her Beneficiary) in the form of a lump sum distribution in the first month of the Company's fiscal quarter that begins on or after the six-month anniversary of the Participant's Termination of Employment, or on the date of the next payroll immediately thereafter. In the case of distributions which begin after a Termination of Employment because of death or Disability of the Participant, the lump sum distribution shall be made as soon as administratively practicable, but in no event later than the last day of the calendar year in which the Termination of Employment occurred, except that for Terminations of Employment which occur in December, payments shall be made in January of the following year. Notwithstanding the foregoing, (a) a Participant described in the preceding sentence may elect optional forms of distribution in accordance with the procedures prescribed by the Administrative Committee provided that (i) his/her election is filed with the Administrative Committee at the time of the deferral and (ii) in the case of distributions which commence after Termination of Employment for reasons other than death or Disability, the initial distribution occurs no earlier than the first day of the Company's fiscal quarter that begins on or after the six-month anniversary of the Participant's Termination of Employment. The Administrative Committee shall allow a Participant to elect an optional form of distribution or to change such election only to the extent such form of distribution or any change is permissible under Section 409A of the Code and the regulations promulgated thereunder. Notwithstanding any election by a Participant, in the event the Participant's Distributable Amounts for all Plan Years at any time following Termination of Employment are not more than Twenty-Five Thousand Dollars ($25,000), the Participant's Distributable

Amounts for all Plan Years shall be paid in a lump-sum distribution, to the extent, and at such time, such a distribution is permissible under Section 409A of the Code and the regulations promulgated thereunder.

In the event a Participant dies after his Termination of Employment and still has a balance in his/her Deferral Accounts, the balance of such Deferral Accounts shall continue to be paid for the remainder of the period as elected by the Participant to the Participant's Beneficiary.

5.2. Distribution Due to a Change of Control. In the event of a Change of Control before a Participant's Termination of Employment, the Distributable Amount shall be paid to the Participant (and after his/her death to his/her Beneficiary) in the form of a lump sum distribution within sixty (60) days following the date of the Change of Control. Notwithstanding the foregoing, a Participant described in the preceding sentence may elect an optional form of distribution in accordance with the procedures prescribed by the Administrative Committee provided that his/her election is filed with the Administrative Committee at the time of the Participant's first deferral under this Plan. The Administrative Committee shall allow a Participant to elect a form of distribution or to change such election only to the extent such form of distribution is permissible under Section 409A of the Code and the regulations promulgated thereunder.

In the event a Participant dies after a Change of Control and still has a balance in his/her Deferral Account, the balance of such Deferral Account shall continue to be paid for the remainder of the period as elected by the Participant to the Participant's Beneficiary.

5.3. Scheduled In-Service Withdrawals. A Participant shall be permitted to elect a Scheduled In-Service Withdrawal from his/her Deferral Account prior to the Participant's Termination of Employment or a Change of Control in accordance with the procedures prescribed by the Administrative Committee, provided that his/her election is filed with the Administrative Committee at the time of the deferral. The Administrative Committee shall allow a Participant to elect a Scheduled In-Service Withdrawal or to change such election only to the extent such distribution is permissible under Section 409A of the Code and the regulations promulgated thereunder. Notwithstanding the foregoing, the amount of a Scheduled In-Service Withdrawal will be reduced by the amount which is not deductible by the Company under Section 162(m) of the Code. In such event, any amount not distributed because of this limitation will be distributed in the next succeeding Plan Year in which Section 162(m) would not limit the deductibility of such amount, except that if distributions are delayed until after a Participant's Termination of Employment other than for death or Disability, any such distribution will occur in the first month of the Company's fiscal quarter that begins on or after the six-month anniversary of the Participant's Termination of Employment or on the date of the next payroll immediately thereafter.

5.4. Hardship Withdrawals.

a) Any Participant who has been determined by the Administrative Committee to have incurred a "Financial Hardship" as defined herein may request and receive a withdrawal of all or part of his/her Account balance.

b) In the event a Participant desires to withdraw an amount as a Financial Hardship withdrawal:

1) The Participant shall deliver a request for such withdrawal to the Administrative Committee setting forth the amount requested and the factual basis for such Financial Hardship request. The request for withdrawal shall be in a form which complies with requirements, if any, established by the Administrative Committee.

2) If the Participant's request for a Financial Hardship withdrawal is approved by the Administrative Committee, the distribution shall be made within 30 days of the date the request for withdrawal is received by the Administrative Committee and the Participant shall be ineligible to participate in the Plan for the balance of the Plan Year, to the extent consistent with the provisions of Section 409A of the Code and the regulations promulgated thereunder. The Participant's Deferral Account shall be valued using the month-end balance for the month prior to the month of the distribution and the amounts distributed hereunder will not exceed the amounts necessary to satisfy such Financial Hardship, plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution, after taking into account the extent to which such Financial Hardship is, or may be, relieved through reimbursement or compensation by insurance or otherwise, or by liquidation of the Participant's assets (to the extent the liquidation of such assets would not itself cause severe financial hardship.)

3) If the Participant's request for a Financial Hardship withdrawal is denied by the Administrative Committee, in whole or in part, the Administrative Committee shall notify the Participant of such denial. The determination of the Administrative Committee is final and binding on the Company, the Participant and the Participant's Beneficiaries.

c) "Financial Hardship" is defined as a severe financial hardship to the Participant resulting from:

1) An illness or accident of the Participant, the Participant's spouse, or a Dependent of the Participant;

2) Loss of the Participant's property due to casualty; or

3) Other similar, extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant.

d) Notwithstanding the foregoing, a Financial Hardship withdrawal shall only be permitted to the extent such withdrawal is permissible under Section 409A of the Code and the regulations promulgated thereunder.

ARTICLE VI

ADMINISTRATION

6.1. Administrative Committee. The Administrative Committee shall be appointed by, and serve at the pleasure of, the Board. The number of members comprising the Administrative Committee shall be determined by the Board from time to time. A member of the Administrative Committee may resign by delivering a written notice of resignation to the Board. The Board may remove any member. Vacancies in the membership of the Administrative Committee shall be filled by the Board.

6.2. Administrative Committee Action. The Administrative Committee shall act at meetings by affirmative vote of a majority of the members of the Administrative Committee. Any action permitted to be taken at a meeting may be taken without a meeting if a written consent to the action is signed by all members of the Administrative Committee. A member of the Administrative Committee shall not vote or act upon any matter which relates solely to himself/herself as a Participant. The chairman or any other member or members of the Administrative Committee designated by the chairman may execute any certificate or other written direction on behalf of the Administrative Committee.

6.3. Powers and Duties of the Administrative Committee. The Administrative Committee shall administer the Plan in accordance with its terms, and shall have all powers necessary to accomplish its purposes including, but not by way of limitation, the following:

a) To select the Funds in accordance with Section 3.2 hereof;

b) To construe and interpret the provisions of this Plan;

c) To compute the amount of benefits payable to Participants and their Beneficiaries;

d) To maintain all records that may be necessary for the administration of the Plan;

e) To provide for the disclosure of all information and the filing of all reports and statements to Participants, Beneficiaries or governmental agencies as shall be required by law;

f) To make and publish rules, definitions and procedures for administration of the Plan;

g) To appoint a plan administrator or any other agent, and to delegate to them such powers and duties in connection with the administration of the Plan as the Administrative Committee may from time to time prescribe; and

h) To take all actions necessary or in its best interests for the administration of the Plan.

6.4. Administrative Committee and Interpretation. The Administrative Committee shall have full discretion to construe and interpret the terms and provisions of this Plan, which interpretations or construction shall be final and binding on all parties including, but not limited to, the Company and any Participant or Beneficiary.

6.5. Compensation and Expenses.

a) The members of the Administrative Committee shall serve without compensation for their services hereunder.

b) The Administrative Committee is authorized at the expense of the Company to employ such legal counsel as it may deem advisable to assist in the performance of its duties hereunder. The Administrative Committee may require Participants to pay expenses and fees incurred in connection with the administration of the Plan. To the extent authorized by Company, expenses and fees in connection with the administration of the Plan shall be paid by the Company.

6.6. Liability. Neither the Administrative Committee nor any member of the Administrative Committee nor the Company nor any other person who is acting on behalf of the Administrative Committee or the Company shall be liable for any act or failure to act hereunder except for gross negligence or fraud. Such persons shall be indemnified by the Company and held harmless against any and all claims, damages, liabilities, costs and expenses (including attorneys' fees) arising by reason of any good faith error of omission or commission with respect to any responsibility, duty or action hereunder.

6.7. Statements. The Administrative Committee, under procedures established by it, shall provide a statement with respect to each Account of the Participant on at least an annual basis.

6.8. Disputes. An individual who believes that he/she is being denied a benefit to which he/she is entitled under this Plan (hereinafter referred to as "Claimant") may file a written request for such benefit with the Administrative Committee setting forth his/her claim. The request must be addressed to the secretary of the Company at its principal place of business.

A written notice of a claim denial will be sent within a reasonable time after the Administrative Committee receives a claim, but not later than 90 days after receipt. If a decision cannot be made within 90 days after the Administrative Committee receives the claim, the Administrative Committee may extend the initial review period as permitted under U.S. Department of Labor regulations. The Administrative Committee will provide timely notice of the extension to the Claimant, explaining the unresolved issues that prevent a decision on the claim, and the date the Administrative Committee expects to make its decision.

If the claim is denied, the Administrative Committee will inform the Claimant in writing, setting forth: (i) the specified reason(s) for the denial; (ii) reference to the Plan provisions on which the denial is based; (iii) a description of any additional information necessary to perfect the claim; and (iv) a description of the Plan's review procedures.

The Claimant may request in writing a review of the denial within 60 days after receiving the notice of denial. Such request must be addressed to the secretary of the Company at its principal place of business. The Claimant may submit written information relating to the claim, and may request copies of all relevant information, free of charge.

The Administrative Committee will review the claim on receipt of the written request for review, and will notify the Claimant of its decision within a reasonable time but not later than 60 days after the request has been received. If an extension of time is required to process the claim, the Administrative Committee will notify the Claimant in writing of the special circumstances requiring the extension and the date by which the Administrative Committee expects to make a determination on review. The extension cannot exceed a period of 60 days from the end of the first review period.

The Administrative Committee will provide the Claimant with written notice of its decision on review. If the decision is adverse, the notice will set forth: (i) the specified reason(s) for the denial; (ii) reference to the Plan provisions on which the denial is based; (iii) a statement that the Claimant may receive, upon request and free of charge, reasonable access to all information relevant to the claim; and (iv) a statement of the Claimant's right to bring an action under ERISA Section 502(a).

ARTICLE VII

MISCELLANEOUS

7.1. Unsecured General Creditor. Participants and their Beneficiaries, heirs, successors, and assigns shall have no legal or equitable rights, claims or interest in any specific property or assets of the Company. No assets of the Company shall be held in any way as collateral security for the fulfilling of the obligations of the Company under this Plan. The Company's obligation under the Plan shall be merely that of an unfunded and unsecured promise of the Company to pay money in the future, and the rights of the Participants and Beneficiaries shall be no greater than those of unsecured general creditors. It is the intention of the Company that this Plan be unfunded for purposes of the Code and for purposes of Title I of ERISA.

7.2. Restriction Against Assignment. The Company shall pay all amounts payable hereunder only to the person or persons designated according to the Plan and not to any other person or corporation. No part of a Participant's Accounts shall be liable for the debts, contracts, engagements of any Participant, his/her Beneficiary, or successors in interest, nor shall a Participant's Accounts be subject to execution by levy, attachment, or garnishment or by any other legal or equitable proceeding, nor shall any such person have any right to alienate, anticipate, sell, transfer, commute, pledge, encumber, or assign any benefits or payments hereunder in any manner whatsoever. If any Participant, Beneficiary or successor in interest is adjudicated bankrupt or purports to anticipate, alienate, sell, transfer, commute, assign, pledge, encumber, or charge any distribution or payment from the Plan, voluntarily or involuntarily, the Administrative Committee, in its sole discretion, may cancel such distribution or payment (or any part thereof) to or for the benefit of such Participant, Beneficiary or successor in interest in such manner as the Administrative Committee shall direct.

7.3. Withholding. There shall be deducted from each payment made under the Plan or from any other Compensation payable to the Participant (or Beneficiary) all taxes which are required to be withheld by the Company in respect to such payment or this Plan. The Company shall have the right to reduce any payment (or Compensation) by the amount of cash sufficient to provide the amount of said taxes.

7.4. Amendment, Modification, Suspension or Termination. The Board of Directors of Kohl's Corporation may amend, modify, suspend or terminate the Plan in whole or in part, except that no amendment, modification, suspension or termination shall have any retroactive effect to reduce any amounts allocated to a Participant's Account (neither the Policies themselves, nor the death benefit shall be treated as allocated to any Account). Notwithstanding the previous sentence, the Board of Directors of Kohl's Corporation may amend the Plan at any time in order to cause the Plan to meet the requirements of Section 409A of the Code and the regulations promulgated thereunder in order to avoid causing any Participant to become subject to interest and/or penalties that would otherwise by imposed under Section 409A of the Code. In the event this Plan is terminated, the amounts allocated to Participant's Account shall be distributed to the Participants only in a manner permitted under Section 409A of the Code and the regulations promulgated thereunder.

Notwithstanding anything contained in the Plan or the Trust and notwithstanding any election made by a Participant, all elections to defer Compensation made by a Participant for amounts earned subsequent to a Change of Control shall terminate and be of no force or effect.

7.5. Governing Law. This Plan shall be construed, governed and administered in accordance with the laws of the State of Wisconsin, without regard to its conflicts of law provisions.

7.6. Receipt or Release. Any payment to a Participant or the Participant's Beneficiary in accordance with the provisions of the Plan shall, to the extent thereof, be in full satisfaction of all claims against the Administrative Committee and the Company. The Administrative Committee may require such Participant or Beneficiary, as a condition precedent to such payment, to execute a receipt and release to such effect.

7.7. Payments on Behalf of Persons Under Incapacity. In the event that any amount becomes payable under the Plan to a person who, in the sole judgment of the Administrative Committee, is considered by reason of physical or mental condition to be unable to give a valid receipt therefor, the Administrative Committee may direct that such payment be made to any person found by the Administrative Committee, in its sole judgment, to have assumed the care of such person.

7.8. No Continued Right to Employment. The designation of an employee as an Eligible Employee under this Plan shall not be construed as conferring upon such employee any right to remain employed by the Company or obligate the Company to continue the employment of the employee or limit the right of the Company to discipline the employee or terminate the employee's employment. Termination of Employment of the Participant with the Company for any reason, whether by action of the Company or employee, shall immediately terminate the employee's deferral election for the remainder of such Plan Year. In no event shall this Plan, by its terms or implication, constitute an employment contract of any nature between the Company and the employee.

7.9. Information. Each person, whether a Participant, a duly designated beneficiary of a Participant, a guardian or any other person, entitled to receive payment under the Plan shall provide the Administrative Committee with such information or documents as the Administrative Committee may from time to time deem necessary or in its best interests in administering the Plan.

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, R. Lawrence Montgomery, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kohl's Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: September 7, 2007

/s/ R. Lawrence Montgomery
R. Lawrence Montgomery
Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Wesley S. McDonald, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Kohl’s Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: September 7, 2007

/s/ Wesley S. McDonald

Wesley S. McDonald
Chief Financial Officer

Exhibit 32.1

**CERTIFICATION OF PERIODIC REPORT
BY CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, R. Lawrence Montgomery, Chief Executive Officer of Kohl's Corporation (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the undersigned's knowledge, on the date of this Certification:

1. the Quarterly Report on Form 10-Q of the Company for the quarterly period ended August 4, 2007 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: September 7, 2007

/s/ R. Lawrence Montgomery
R. Lawrence Montgomery
Chief Executive Officer and Director

Exhibit 32.2

CERTIFICATION OF PERIODIC REPORT
BY CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Wesley S. McDonald, Chief Financial Officer of Kohl's Corporation (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the undersigned's knowledge, on the date of this Certification:

1. the Quarterly Report on Form 10-Q of the Company for the quarterly period ended August 4, 2007 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: September 7, 2007

/s/ Wesley S. McDonald
Wesley S. McDonald
Chief Financial Officer