Instruction 1(b)

FORM 4

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See

## **UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934

STATEMENT OF CHANGES IN BENEFICIAL	OWNERSHIP

**OMB APPROVAL** OMB Number: Estimated average burden hours per response: 0.5

11. Nature

of Indirect

Beneficial

Ownership (Instr. 4)

			or Section 30(n) of the investment Company Act of 1940				
	ddress of Reporting chard Gordon		2. Issuer Name and Ticker or Trading Symbol  MCGRATH RENTCORP [ MGRC ]	5. Relationship of Reporting Persor (Check all applicable)  Director  Officer (give title	10% Owner Other (specify below)		
ast) 700 LAS PO	(First) OSITAS RD.	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 01/20/2006	X Sincer (give title below)  Vice Presider			
			4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable			

(Street) LIVERMORE	CA	94551								Form filed by One Reporting Person			
(City)	(State)	(Zip)								Form filed by Mo Person	re than One Rep	orting	
	Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned												
1. Title of Security (Instr. 3)			2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)					5. Amount of Securities Beneficially Owned Following	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code V		Amount (A) or (D)		Price	Reported Transaction(s) (Instr. 3 and 4)				
Common Stock										7,400	D		
Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned													

## (e.g., puts, calls, warrants, options, convertible securities) 1. Title of Derivative Security 3. Transaction 3A. Deemed 5. Number 6. Date Exercisable and 7. Title and Amount 8. Price of Derivative 9. Number of 10. of Securities Underlying Derivative Security (Instr. 3 and 4) Execution Date, if any derivative Conversion Transaction **Expiration Date** Ownership (Month/Day/Year) Derivative Security or Exercise Code (Instr. (Month/Day/Year) Securities Form: Securities Acquired (A) or Disposed of (D) (Inst (Month/Day/Year) 8) (Instr. 5) Beneficially Direct (D) Derivative Owned or Indirect Security Following (I) (Instr. 4) Reported

					3, 4 and 5)							(Instr. 4)		
			Code	v	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Stock Option (Officer Right to Buy)	\$29.56	01/20/2006	A		20,000		(1)	01/20/2016	Common Stock	20,000	\$0.00	20,000	D	

## **Explanation of Responses:**

(Instr. 3)

1. 20% vests after one year and 5% vests each quarter thereafter.

Richard Gordon Brown 01/24/2006

\*\* Signature of Reporting Person Date

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

- \* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.