

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the Plan period ended December 31, 1996

Commission File Number 1-812

UNITED TECHNOLOGIES CORPORATION
DEFINED CONTRIBUTION RETIREMENT PLAN
(Full title of the plan)

UNITED TECHNOLOGIES CORPORATION
One Financial Plaza
Hartford, Connecticut 06101
(Name of issuer of the securities held pursuant to
the plan and the address of its principal executive office)

FINANCIAL STATEMENTS OF THE UNITED TECHNOLOGIES CORPORATION
DEFINED CONTRIBUTION RETIREMENT PLAN

REPORT OF INDEPENDENT ACCOUNTANTS

To the Participants and Administrator
of the United Technologies Corporation
Defined Contribution Retirement Plan

In our opinion, the accompanying statements of net assets available for benefits with fund information and the related statement of changes in net assets available for benefits with fund information present fairly, in all material respects, the net assets available for benefits of the United Technologies Corporation Defined Contribution Retirement Plan at December 31, 1996 and 1995 and the changes in net assets available for benefits for the period ended December 31, 1996, in conformity with generally accepted accounting principles. These financial statements are the responsibility of the Plan's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with generally accepted auditing standards which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for the opinion expressed above.

PRICE WATERHOUSE LLP
Hartford, Connecticut
June 26, 1997

UNITED TECHNOLOGIES CORPORATION
 DEFINED CONTRIBUTION RETIREMENT PLAN
 Statement of Net Assets Available for Benefits With Fund Information
 December 31, 1996

	Income Fund	Equity Fund	UTC Stock Fund	Global Fund	Funds Combined
Assets:					
Investments:					
Beneficial interests in contracts issued by insurance companies, at cost plus accrued interest	\$5,006,173	\$ -	\$ -	\$ -	\$5,006,173
Beneficial interests in Bankers Trust Company Pyramid Equity Index Fund, at market	-	1,886,841	-	697	1,887,538
Beneficial interests in Bankers Trust Company Pyramid Fixed Income Index Fund, at market	-	-	-	598	598
Beneficial interests in Bankers Trust Company Pyramid International Securities Index Fund, at market	-	-	-	972	972
United Technologies Corporation Common Stock, at market	-	-	111,182	-	111,182
Temporary investments, at cost plus accrued interest	210	-	11	-	221
Total Investments	5,006,383	1,886,841	111,193	2,267	7,006,684
Contributions and fund transfers receivable	1,402	-	2,109	-	3,511
Total Assets	5,007,785	1,886,841	113,302	2,267	7,010,195
Liabilities:					
Contributions and fund transfers payable	16,559	32,564	3,315	61	52,499
Total Liabilities	16,559	32,564	3,315	61	52,499
Net Assets Available for Benefits	\$4,991,226	\$1,854,277	\$ 109,987	\$ 2,206	\$6,957,696
Units of participation	874,078	117,700	10,153	1,067	
Unit value	\$ 5.71	\$ 15.75	\$ 10.83	\$ 2.07	

The accompanying notes are an integral part of these financial statements.

UNITED TECHNOLOGIES CORPORATION
 DEFINED CONTRIBUTION RETIREMENT PLAN
 Statement of Net Assets Available for Benefits With Fund Information
 December 31, 1995

	Income Fund	Equity Fund	UTC Stock Fund	Global Fund	Funds Combined
Assets:					
Investments:					
Beneficial interests in contracts issued by insurance companies, at cost plus accrued interest	\$4,899,519	\$ -	\$ -	\$ -	\$4,899,519
Beneficial interests in Bankers Trust Company Pyramid Equity Index Fund, at market	-	1,368,711	-	586	1,369,297
Beneficial interests in Bankers Trust Company Pyramid Fixed Income Index Fund, at market	-	-	-	465	465
Beneficial interests in Bankers Trust Company Pyramid International Securities Index Fund, at market	-	-	-	540	540
United Technologies Corporation Common Stock, at market	-	-	1,186	-	1,186
Temporary investments, at cost plus accrued interest	209	22	-	-	231
Total Investments	4,899,728	1,368,733	1,186	1,591	6,271,238
Contributions and fund transfers receivable	446,715	85,970	-	-	532,685
Total Assets	5,346,443	1,454,703	1,186	1,591	6,803,923
Liabilities:					
Contributions payable	625	14,613	102	52	15,392
Accrued investment purchases	-	-	-	20	20
Total Liabilities	625	14,613	102	72	15,412
Net Assets Available for Benefits	\$5,345,818	\$1,440,090	\$ 1,084	\$ 1,519	\$6,788,511
Units of participation	1,006,968	112,602	142	817	
Unit value	\$ 5.31	\$ 12.79	\$ 7.62	\$ 1.86	

The accompanying notes are an integral part of these financial statements.

UNITED TECHNOLOGIES CORPORATION
DEFINED CONTRIBUTION RETIREMENT PLAN
Statement of Changes in Net Assets Available for Benefits with Fund Information
Period Ended December 31, 1996

	Income Fund	Equity Fund	UTC Stock Fund	Global Fund	Funds Combined
Additions to net assets attributed to:					
Investment Income:					
Net appreciation in fair value of investments	\$ -	\$ 333,092	\$ 3,156	\$ 200	\$ 336,448
Interest	359,766	19	14	-	359,799
Dividends	-	-	278	-	278
Total Investment Income	359,766	333,111	3,448	200	696,525
Contributions:					
Participants'	151,238	63,538	4,940	207	219,923
Employer's	296,058	82,166	3,306	280	381,810
Total Contributions	447,296	145,704	8,246	487	601,733
Deductions from net assets attributed to:					
Cash distributions to participants					
	967,023	166,747	-	-	1,133,770
Total Deductions	967,023	166,747	-	-	1,133,770
Inter-fund and inter-plan transfers	(194,631)	102,119	97,209	-	4,697
Net (Decrease)/Increase	(354,592)	414,187	108,903	687	169,185
Net Assets Available for Benefits December 31, 1995	5,345,818	1,440,090	1,084	1,519	6,788,511
Net Assets Available for Benefits December 31, 1996	\$4,991,226	\$1,854,277	\$ 109,987	\$ 2,206	\$6,957,696

The accompanying notes are an integral part of these financial statements.

UNITED TECHNOLOGIES CORPORATION
DEFINED CONTRIBUTION RETIREMENT PLAN

Notes to Financial Statements

NOTE 1 - DESCRIPTION OF THE PLAN

General. The United Technologies Corporation (UTC) Defined Contribution Retirement Plan (the Plan) is a defined contribution savings and money purchase plan administered by UTC. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Eligible employees of UTC and certain of its subsidiaries may participate after completing one year of service. The following is a brief description of the Plan. For more complete information, participants should refer to the plan document which is available from UTC.

Contributions and Vesting. The employer makes contributions for each participant up to 3.5 percent of the participant's compensation. In addition, certain participants may elect to contribute, through payroll deductions, between 1 and 12 percent of their total compensation with up to the first 4 percent of each participant's contribution being matched 50 percent by the employer. Participant contributions, plus actual earnings thereon, are fully vested at all times under the Plan. Generally, employer contributions, plus actual earnings thereon, become fully vested after two years of Plan participation.

Participant Accounts. Each participant's account is credited with the participant's contributions and allocations of (a) UTC's contributions and (b) Plan earnings. Allocations are based on participant earnings or account

balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account. Forfeited balances of terminated participants' nonvested amounts are used to reduce future UTC contributions. For the period ended December 31, 1996, approximately \$ 90,600 of forfeitures were used to fund UTC's contributions.

Investment Options. Participants may elect to allocate the contributions in any whole percentage among the following funds. Participants are permitted to transfer their accounts between investment funds once per quarter in any whole percentage.

- . The Income Fund is invested in contracts issued by five insurance companies.
- . The Equity Fund is principally invested in the BT Pyramid Equity Index Fund, which is a commingled trust fund managed by Bankers Trust Company (BT), the Trustee, and includes a portfolio of common stocks replicating the Standard & Poor's Composite Index of 500 stocks.
- . The UTC Stock Fund consists principally of 1,678 and 26 shares of UTC Common Stock at December 31, 1996 and 1995, respectively. Share amounts reflect the 2 for 1 stock split effective December 10, 1996.

. The Global Fund is invested in almost equal proportions in three different funds managed by the Trustee: the BT Pyramid International Securities Index Fund, the BT Pyramid Fixed Income Index Fund and the BT Pyramid Equity Index Fund (as described above). The BT Pyramid International Securities Index Fund invests in four other international index funds managed by the Trustee. The BT Pyramid Fixed Income Index Fund invests primarily in obligations of the U.S. Government and its agencies and other publicly traded, high-grade domestic debt instruments.

Payment of Benefits. Generally, benefits are paid in a lump sum to a terminating participant. A participant terminating due to retirement may elect to receive benefits in installments over two to twenty years. At the participant's election, the portion of a lump sum distribution attributable to the UTC Stock Fund may be paid in shares of UTC Common Stock instead of cash. There were no distributions in common stock for the period ended December 31, 1996.

NOTE 2 - SUMMARY OF ACCOUNTING PRINCIPLES

Basis of Accounting. The financial statements of the Plan are prepared under the accrual method of accounting. Benefits are recorded when paid.

Master Trust. The Plan's assets are kept in a Master Trust maintained by the Trustee. Under the Master Trust agreement, the assets of certain employee savings plans of UTC and its subsidiaries are combined. Participating plans purchase units of participation in the investment funds based on their monthly contribution to such funds and the unit value of the applicable investment fund at the end of the month. The unit value of each fund is determined at each month end by dividing the sum of uninvested cash, accrued income and the current value of investments by the total number of outstanding units in such funds. Income from the funds' investments increases the plans' unit values. Distributions to participants reduce the number of participation units held by the plans.

Investment Valuation. Except for the Income Fund, the Plan's investments are stated at fair value. The fair value of the Equity Fund, the UTC Stock Fund, and the Global Fund is determined by the Trustee by reference to published market data. The Income Fund's investment contracts are stated at contract value which represents contributions plus earnings, less Plan withdrawals.

Plan Expenses. Plan expenses are payable out of Plan assets, unless paid by the employer. The expenses for the 1996 plan year were paid by the employer.

Use of Estimates. The preparation of financial statements requires UTC to make estimates and assumptions that affect the reported amounts in the financial statements. Actual results could differ from those estimates.

NOTE 3 - INVESTMENT CONTRACTS

Under these contracts, each insurance company guarantees repayment in full of the principal amount invested plus interest credited at a fixed rate for a specified period. Interest is credited to each contract based on an annual interest rate set each year by the individual insurance companies. This rate, which differs among contracts, takes into account any difference between prior year credited interest and the actual amount of investment earnings allocable to the contract in accordance with the established

allocation procedures of the insurance company. The weighted average rates for 1996 and 1995 were 7.5% and 7.25%, respectively. The following is a summary of the investment contracts held in the Income Fund and the portion allocable to the Plan:

(Thousands of Dollars)	December 31, 1996	December 31, 1995
CIGNA	\$ 1,512,307	\$ 1,566,944
Aetna	457,815	494,944
Travelers	388,845	432,342
Prudential	236,966	219,677
Metropolitan Life	782,764	587,847
	\$ 3,378,697	\$ 3,301,754
Amount of the contracts allocable to the Plan	\$ 5,006	\$ 4,900

NOTE 4 - FUNDING POLICY

The Corporation funds its obligation to the plan on a monthly basis. At December 31, 1996, the minimum funding requirements under ERISA have been met.

NOTE 5 - PLAN TERMINATION

Although it has not expressed any intent to do so, UTC has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100 percent vested in their accounts.

NOTE 6 - RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following are reconciliations of net assets available for benefits and benefits paid from the financial statements to Form 5500:

	December 31, 1996	December 31, 1995
Net assets available for benefits per the financial statements	\$ 6,957,696	\$ 6,788,511
Amounts allocated to participant withdrawals	(150,301)	(529,952)
Net assets available for benefits per Form 5500	\$ 6,807,395	\$ 6,258,559

	Year Ended December 31, 1996
Benefits paid to participants per the financial statements	\$1,133,770
Add: Amounts allocated to participant withdrawals at December 31, 1996	150,301
Less: Amounts allocated to participant withdrawals at December 31, 1995	(529,952)
Benefits paid to participants per Form 5500	\$ 754,119

Amounts allocated to participant withdrawals are recorded on Form 5500 for benefit claims that have been processed and approved for payment prior to December 31 but not yet paid as of that date.

NOTE 7 - TAX STATUS

The Internal Revenue Service has determined and informed UTC by letter dated April 22, 1996 that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letters. However, the Plan administrator and tax counsel believe that the Plan is designed and currently being operated in compliance with the applicable requirements of the IRC.

NOTE 8 - SUBSEQUENT EVENT

Effective January 1, 1997, Fidelity Institutional Retirement Services Company assumed the participant account recordkeeping responsibilities from Bankers Trust.

SIGNATURES

The Plan (or other persons who administer the employee benefit plan), pursuant to the requirements of the Securities Exchange Act of 1934, has duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

UNITED TECHNOLOGIES CORPORATION
DEFINED CONTRIBUTION RETIREMENT PLAN

Dated: June 26, 1997

By: /s/ Daniel P. O'Connell
Daniel P. O'Connell
Corporate Director, Employee Benefits and Human
Resources Systems
United Technologies Corporation

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 33-58937) of United Technologies Corporation of our report dated June 26, 1997 appearing in the United Technologies Corporation Defined Contribution Retirement Plan's Annual Report on Form 11-K for the year ended December 31, 1996.

PRICE WATERHOUSE LLP
Hartford, Connecticut
June 26, 1997

