

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **March 13, 2007**

INCYTE CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of
Incorporation)

0-27488

(Commission File Number)

94-3136539

(I.R.S. Employer
Identification No.)

Experimental Station

Route 141 & Henry Clay Road

Building E336

Wilmington, DE

(Address of principal executive offices)

19880

(Zip Code)

(302) 498-6700

(Registrant's telephone number,
including area code)

N/A

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240-13e-4(c))

Item 5.02 Departure of Directors Or Certain Officers; Election Of Directors; Appointment Of Certain Officers; Compensatory Arrangements Of Certain Officers.

(e) *1991 Stock Plan Amendment*

On March 13, 2007, the Board of Directors (the "Board") of Incyte Corporation (the "Company") approved an amendment to the Company's 1991 Stock Plan (the "Stock Plan") to provide that the Board may not (1) modify outstanding options issued under the Stock Plan to lower the exercise price of such options or (2) assume or accept the cancellation of outstanding options issued under the Stock Plan in return for the grant of a new options issued under the Stock Plan with a lower exercise price, in each case unless such action has been approved by the Company's stockholders.

2007 Annual Incentive Compensation Plan

On March 13, 2007, the Board approved, upon the recommendation of the Compensation Committee of the Board, corporate objectives for 2007 relating to a cash bonus plan for the 2007 fiscal year. The Company's 2007 Annual Incentive Compensation Plan is a discretionary cash incentive award plan designed to align incentive awards for each participant's individual performance with the Company's corporate objectives. Eligibility to participate in the plan and actual award amounts are not guaranteed and are determined, in the case of the Company's executive officers, at the discretion of the Compensation Committee of the Board. Each of the Company's executive officers other than the President and Chief Executive Officer has a funding target under the plan

