

NEWTEK BUSINESS SERVICES INC
 Form 4
 May 10, 2006

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 SCHOTTENSTEIN JEFF

2. Issuer Name and Ticker or Trading Symbol
 NEWTEK BUSINESS SERVICES INC [NKBS]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 800 BRICKELL AVENUE, SUITE 1111

3. Date of Earliest Transaction (Month/Day/Year)
 11/15/2000

Director 10% Owner
 Officer (give title below) Other (specify below)

(Street)
 MIAMI, FL 33131

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

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) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|---|
| | | | Code | V | Amount | (A) or (D) | Price | |
| Newtek Business Services, Inc | 11/15/2000 | | P | | 10,000 | A | \$ 0 10,000 | D |
| Newtek Business Services, Inc | 09/03/2004 | | P | | 11,172 | A | \$ 0 21,172 | D |
| Newtek Business Services, Inc | 06/02/2005 | | P | | 7,571 | A | \$ 0 28,743 | D |

| | | | | | | | | |
|-------------------------------|------------|---|--------|---|---------|--------|---|--|
| Inc | | | | | | | | |
| Newtek Business Services, Inc | 11/01/2005 | P | 9,037 | A | \$ 0 | 37,780 | D | |
| Newtek Business Services, Inc | 12/21/2005 | P | 20,000 | A | \$ 1.63 | 57,780 | D | |
| Newtek Business Services, Inc | 12/27/2005 | P | 6,369 | A | \$ 0 | 64,149 | D | |
| Newtek Business Services, Inc | 03/22/2006 | P | 5,000 | A | \$ 0 | 69,149 | D | |

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

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|--|
| | | | | | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| | | | | | | Code | V (A) (D) | | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--------------------------------|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| | X | | | |

SCHOTTENSTEIN JEFF
800 BRICKELL AVENUE
SUITE 1111
MIAMI, FL 33131

Signatures

/s/ Schottenstein
Jeffrey

05/03/2006

__Signature of Reporting
Person

Date

Explanation of Responses:

* 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.

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