

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

1. Name and Address of Reporting Person* <u>HERBERT STEPHEN P</u>  (Last) (First) (Middle) <u>100 DEERFIELD LN</u> <u>SUITE 140</u>  (Street) <u>MALVERN PA 19355</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>USA TECHNOLOGIES INC [ USAT ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)  <input checked="" type="checkbox"/> Director 10% Owner  <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>COO &amp; President</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>10/07/2008</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

**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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	10/07/2008		G <sup>(1)</sup>		17,440	D	\$0	175,053	D	
Common Stock	12/30/2008		F <sup>(2)</sup>		12,198	D	\$1.98	162,855	D	
Common Stock	12/30/2008		G <sup>(3)</sup>		28,000	D	\$0	134,855	D	
Common Stock	10/07/2008		G <sup>(1)</sup>		17,440	A	\$0	27,440	I	By Spouse
Common Stock	12/30/2008		G <sup>(3)</sup>		28,000	A	\$0	28,010	I	By Child

**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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date					
Non-Qualified Stock Option (Right to Buy)	\$7.5							(4)	(4)	Common Stock		18,000	D	

**Explanation of Responses:**

- Represents shares gifted by Mr. Herbert to his wife.
- Represents a portion of the shares issued to Mr. Herbert under the long-term Equity Incentive Program that were cancelled in order to satisfy tax withholding obligations.
- Represents 28,000 shares gifted by Mr. Herbert to his son, Lucas H. Herbert.
- The options may be exercised at any time within 5 years of vesting. The options vested as follows: 6,000 on 5/11/06, 6,000 on 6/30/07, and 6,000 on 6/30/08.

**Remarks:**

Stephen P. Herbert 12/31/2008  
 \*\* 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.