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

Form 13F

FORM 13F COVER PAGE

Report for the Calendar Year or Quarter Ended:	JUNE 30,	2005	
Check here if Amendment $ \ \ $; Amendment Number: This Amendment (Check only one.):	_ is a	restatement.	entries.
Institutional Investment Manager Filing this Re	eport:		

Name: ALLSTATE LIFE INSURANCE COMPANY Address: 3075 SANDERS ROAD, SUITE G4A NORTHBROOK, IL. 60062-7127

Form 13F File Number: 28-01037

The institutional manager filing this report and the person by whom it is signed hereby represent that the person signing the report is authorized to submit it, that all information contained herein is true, correct and complete, and that it is understood that all required items, statements, schedules, lists, and tables, are considered integral parts of this form.

Person Signing this Report on Behalf of Reporting Manager:

Name: JAMES ZILS

Title: VICE PRESIDENT INVESTMENT OPERATIONS

Phone: 847-402-3073

Signature, Place, and Date of Signing:

/s/ JAMES ZILS	NORTHBROOK, IL.	8/10/2005		
[Signature]	[City, State]	[Date]		

Report Type (Check only one.):

- |X| 13F HOLDINGS REPORT. (Check here if all holdings of this reporting manager are reported in this report.)
- _| 13F NOTICE. (Check here if no holdings reported are in this report, and all hgoldings are reported by other reporting manager(s).).)
- 13F COMBINATION REPORT. (Check here if a portion of the holdings for this reporting manager are reported in this report and a portion are reported by other reporting manager(s).)

List of Other Managers Reporting for this Manager:

FORM 13F SUMMARY PAGE

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Report Summary:

Number of Other Included Managers: ONE

Form 13F Information Table Value Total: 291,485 (THOUSAND)

List of Other Included Managers:

Form 13F Information Table Entry Total:

Provide a numbered list of the name(s) and Form 13F file number(s) of all institutional investment managers with respect to which this report is filed, other than the manager filing this report.

[If there are no entries in this list, state "NONE" and omit the column headings and list entries.]

No. Form 13F File Number Name

1 028-10298 ALLSTATE INVESTMENTS LLC

NAME OF REPORTING MANAGER: ALLSTATE LIFE INSURANCE COMPANY

NAME OF ISSUER	TITLE OF CLASS	CUSIP	VALUE (x\$1000)	SHARES/ PRN AMT	SH/ PUT/ PRN CALL		OTHER MANAGERS	VOTING AUTHORITY SOLE SHARED NONE
GENERAL MOTORS	REDEEMABLE							
	P/S	370442741	2,189	90,000	SH	DEFINED	1	Χ
GENERAL MOTORS CORP	REDEEMABLE P/S	370442717	422	20,000	SH	DEFINED	1	Χ
HARRAH'S ENTERTAINM	COMMON	413619107	1,622	22,500	SH	DEFINED	1	X
JOHNSON & JOHNSON	COMMON	478160104	3,088	47,500	SH	DEFINED	1	Х
3M COMPANY 0% 11/21/2032 AFFILIATED MANAGERS GRP 0%	DEBT	88579YAB7	6,246	7,200,000	PRN	DEFINED	1	X
05/07/2021	DEBT	008252AC2	1,205	1,000,000	PRN	DEFINED	1	Х
AFFILIATED MANAGERS GRP 2.793750% 02/25/2033	DEBT	008252AE8	1,096	700,000	PRN	DEFINED	1	Χ
AGILENT TECHNOLOGIES INC 3.000000%				•				
12/01/2021 ALLERGAN INC 0% 11/06/2022	DEBT DEBT	00846UAB7 018490AE2	2,466 586	2,500,000 600,000	PRN PRN	DEFINED DEFINED	1 1	X X
ALZA CORP 0% 07/28/2020 AMDOCS LIMITED .500000%	DEBT	02261WAB5	3,659	4,100,000	PRN	DEFINED	1	Χ
03/15/2024	DEBT	02342TAD1	2,962	3,250,000	PRN	DEFINED	1	Х
AMERICAN EXPRESS 1.850000% 12/01/2033	DEBT	025816AS8	6,328	6,250,000	PRN	DEFINED	1	Χ
AMERICAN INTL GROUP .500000%								
05/15/2007 AMERICAN INTL GROUP 0%	DEBT	026874AN7	3,273	3,500,000	PRN	DEFINED	1	Х
11/09/2031 AON CORP 3.500000% 11/15/2012	DEBT DEBT	026874AP2 037389AT0	6,912 375	10,375,000 300,000	PRN PRN	DEFINED DEFINED	1 1	X X
ARROW ELECTRONIC INC 0%	DEBT	037303A10	373	300,000	FIXIN	DEI TNED	_	
02/21/2021 AXCAN PHARMA INC 4.250000%	DEBT	042735AY6	3,763	7,000,000	PRN	DEFINED	1	Х
04/15/2008	DEBT	054923AB3	611	500,000	PRN	DEFINED	1	X
CARNIVAL CORP 0% 10/24/2021 CARNIVAL CORP 1.132000%	DEBT	143658AS1	1,131	1,250,000	PRN	DEFINED	1	X
04/29/2033	DEBT	143658AV4	4,038	5,000,000	PRN	DEFINED	1	Χ
CARNIVAL CORP 2.000000% 04/15/2021	DEBT	143658AN2	3,252	2,300,000	PRN	DEFINED	1	Х
CBRL GROUP INC 0% 04/03/2032 CENTURYTEL INC 4.750000%	DEBT	12489VAB2	1,684	3,500,000	PRN	DEFINED	1	Х
08/01/2032	DEBT	156700AH9	2,085	2,000,000	PRN	DEFINED	1	Х
CHIRON CORP 1.625000% 08/01/2033 COOPER CAMERON CORP 1.500000%	DEBT	170040AG4	2,783	3,000,000	PRN	DEFINED	1	X
05/15/2024	DEBT	216640AE2	1,100	1,000,000	PRN	DEFINED	1	Х
COSTCO WHOLESALE CORP 0% 08/19/2017	DEBT	22160QAC6	5,094	5,000,000	PRN	DEFINED	1	Χ
CSX CORP 0% 10/30/2021 DEVON ENERGY CORPORATION 4.900000%	DEBT	126408GA5	5,457	6,300,000	PRN	DEFINED	1	Χ
08/15/2008	DEBT	25179MAA1	6,462	5,750,000	PRN	DEFINED	1	Χ
DEVON ENERGY CORPORATION 4.950000% 08/15/2008	DEBT	25179MAB9	1,686	1,500,000	PRN	DEFINED	1	Χ
DIAMOND OFFSHORE DRILL 1.500000%								
04/15/2031 DOMINION RESOURCES INC 2.125000%	DEBT	25271CAE2	3,675	3,000,000	PRN	DEFINED	1	Χ
12/15/2023 DUKE ENERGY CORP 1.750000%	DEBT	25746UAT6	5,809	5,500,000	PRN	DEFINED	1	Χ
05/15/2023	DEBT	264399EJ1	3,765	3,000,000	PRN	DEFINED	1	Х
EASTMAN KODAK CO 3.375000% 10/15/2033	DEBT	277461BE8	1,609	1,500,000	PRN	DEFINED	1	Χ
ELECTRONCIS FOR IMAGING 1.500000%								
06/01/2023 FLUOR CORP 1.500000% 02/15/2024	DEBT DEBT	286082AA0 343412AA0		1,500,000 2,000,000	PRN PRN	DEFINED DEFINED	1 1	X X
FOUR SEASONS HTL 1.875000% 07/30/2024	DEBT	35100EAE4	1,091	1,000,000	PRN	DEFINED	1	X
FRANKLIN RESOURCES INC 0%	DEBT					DELINED	1	
05/11/2031 GATX CORP 7.500000% 02/01/2007	DEBT DEBT	354613AC5 361448AC7	,	5,500,000 500,000	PRN PRN	DEFINED DEFINED	1 1	X X
GENERAL MILLS INC 0% 10/28/2022	DEBT	370334AU8	1,763	2,500,000	PRN	DEFINED	1	X
GENZYME CORP 1.250000% 12/01/2023 GREATER BAY BANCORP 0% 03/23/2024	DEBT DEBT	372917AN4 391648AP7	2,853 1,780	2,750,000 2,000,000	PRN PRN	DEFINED DEFINED	1 1	X X
HARRIS CORP 3.500000% 08/15/2022	DEBT	413875AH8		825,000	PRN	DEFINED	1 1	X X
HASBRO INC 2.750000% 12/01/2021 HCC INSURANCE HOLDINGS 1.300000%	DEBT	418056AN7	1,099	1,000,000	PRN	DEFINED	1	^
04/01/2023 HEALTH MANAGEMENT ASSOC 1.500000%	DEBT	404132AB8	4,266	3,750,000	PRN	DEFINED	1	Х
08/01/2023	DEBT	421933AF9		3,000,000	PRN	DEFINED	1	X
HEWLETT-PACKARD CO 0% 10/14/2017 HILTON HOTELS CORP 3.375000%	DEBT	428236AC7	3,121	5,500,000	PRN	DEFINED	1	X
04/15/2023	DEBT	432848AZ2		3,000,000	PRN	DEFINED	1	X
INCO LTD 1.000000% 03/14/2023 INTL GAME TECHNOLOGY 0% 01/29/2033	DEBT DEBT	453258AT2 459902AL6		3,000,000 8,600,000	PRN PRN	DEFINED DEFINED	1 1	X X
INTL PAPER CO 0% 06/20/2021	DEBT	460146BM4	6,785	12,450,000	PRN	DEFINED	1	X
IVAX CORP 4.500000% 05/15/2008	DEBT	465823AG7	8,479	8,500,000	PRN	DEFINED	1	X
KELLWOOD CO 3.500000% 06/15/2034 LEAR CORP 0% 02/20/2022	DEBT DEBT	488044AF5 521865AG0		4,000,000 2,500,000	PRN PRN	DEFINED DEFINED	1 1	X X
LEHMAN BROTHERS HOLDINGS .250000%								
05/08/2010 LEHMAN BROTHERS HOLDINGS .750000%	DEBT	524908FN5	1,938	2,000,000	PRN	DEFINED	1	X
02/11/2011 LIBERTY MEDIA CORP 3.250000%	DEBT	524908LS7	1,920	2,000,000	PRN	DEFINED	1	Χ
03/15/2031	DEBT	530715AR2	2,383	3,115,000	PRN	DEFINED	1	Χ

REPORT TOTALS		84	291,485	313,820,000				
DEBT		80	284,165	313,640,000				
"STOCK"		4	7,320	180,000				
CONVERTIBLE WYETH 2.390000% 01/15/2024	DEBT DEBT	981443AA2 983024AD2	1,018 1,792	1,000,000 1,750,000	PRN PRN	DEFINED DEFINED	1 1	X X
03/15/2023 WORLD COLOR PRESS, INC.,	DEBT	942683AC7	1,159	1,250,000	PRN	DEFINED	1	X
04/15/2023 WATSON PHARMACEUTICALS 1.750000%	DEBT	254687AU0	10,263	10,000,000	PRN	DEFINED	1	Х
06/23/2020 WALT DISNEY COMPANY 2.125000%	DEBT	913903AL4	3,878	5,500,000	PRN	DEFINED	1	Х
01/15/2023 UNIVERSAL HEALTH SVCS .426000%	DEBT	902118BG2	6,463	4,675,000	PRN	DEFINED	1	Х
01/15/2018 TYCO INTL GROUP SA 3.125000%	DEBT	902118BF4	3,225	2,500,000	PRN	DEFINED	1	Х
TRANSOCEAN INC 1.500000% 05/15/2021 TYCO INTL GROUP SA 2.750000%	DEBT	893830AD1	3,019	3,000,000	PRN	DEFINED	1	Х
02/01/2024 TJX COMPANIES INC 0% 02/13/2021	DEBT DEBT	88164RAB3 872540AL3	2,875 1,650	2,900,000 2,000,000	PRN PRN	DEFINED DEFINED	1 1	X
11/15/2022 TEVA PHARMACEUT FIN LLC .250000%	DEBT	88164MAB4	4,920	3,350,000	PRN	DEFINED	1	Х
SLM CORP 3.110630% 07/25/2035 TEVA PHARMACEUT FIN BV .375000%	DEBT	78442PAC0	2,532	2,500,000	PRN	DEFINED	1	X
REEBOK INTL LTD 2.000000% 05/01/2024	DEBT	758110AH3	3,666	3,500,000	PRN	DEFINED	1	X
RADIAN GROUP INC 2.250000% 01/01/2022	DEBT	750236AF8	3,980	4,000,000	PRN	DEFINED	1	X
PPL ENERGY SUPPLY LLC 2.625000% 05/15/2023	DEBT	69352JAE7	2,978	2,500,000	PRN	DEFINED	1	X
PMI GROUP INC 2.500000% 07/15/2021	DEBT	69344MAE1	5,138	5,000,000	PRN	DEFINED	1	X
PLACER DOME INC 2.750000% 10/15/2023	DEBT	725906AK7	1,588	1,500,000	PRN	DEFINED	1	X
ODYSSEY RE HOLDINGS 4.375000% 06/15/2022 OMNICOM GROUP 0% 06/15/2033	DEBT DEBT	67612WAB4 681919AR7	2,313 6,338	2,000,000 6,500,000	PRN PRN	DEFINED DEFINED	1 1	X
06/15/2023 NEWS AMERICA INC 0% 02/28/2021	DEBT DEBT	629568AL0 652482AZ3	2,058 7,796	2,000,000 13,500,000	PRN PRN	DEFINED DEFINED	1 1	X
12/30/2008 NABORS INDUSTRIES INC 0%	DEBT	617446GR4	2,284	2,500,000	PRN	DEFINED	1	X
MERRILL LYNCH & CO 0% 03/13/2032 MORGAN STANLEY 1.250000%	DEBT	590188W46	10,274	10,300,000	PRN	DEFINED	1	Х
MEDIMMUNE INC 1.000000% 07/15/2023 MEDTRONIC INC 1.250000% 09/15/2021	DEBT DEBT	584699AE2 585055AD8	3,815 11,201	4,000,000 11,300,000	PRN PRN	DEFINED DEFINED	1 1	X
02/16/2021 MASCO CORP 0% 07/20/2031	DEBT DEBT	548661CF2 574599BB1	3,351 5,276	3,500,000 11,500,000	PRN PRN	DEFINED DEFINED	1 1	X
10/19/2021 LOWE'S COMPANIES INC 0%	DEBT	548661CG0	6,969	6,750,000	PRN	DEFINED	1	Х
08/15/2033 LOWE'S COMPANIES INC .861000%	DEBT	539830AP4	5,322	5,000,000	PRN	DEFINED	1	Х