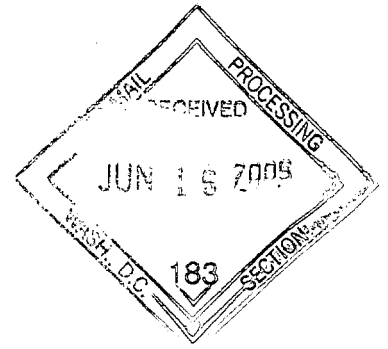




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Form 11-K

ANNUAL REPORT PURSUANT TO SECTION
15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2004

Commission File Number 001-13769

Chittenden Corporation *VT*
Incentive Savings and Profit Sharing Plan
(Full Title of the Plan)

CHITTENDEN CORPORATION
(Name of issuer of the securities held pursuant to the plan)

Two Burlington Square
Burlington, Vermont 05402
(Address of principal executive office)

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustee (or other persons who administer the Plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Chittenden Corporation Incentive
Savings and Profit Sharing Plan

Date 6-13-05

By Debra S Dayman
Debra Sailer Dayman
Vice President
Corporate Benefits Program Manager

Date 6/13/05

By Timothy J. Keefe
Timothy J. Keefe
Senior Vice President
Chief Accounting Officer

CHITTENDEN CORPORATION
INCENTIVE SAVINGS AND PROFIT SHARING PLAN
December 31, 2004 and 2003

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A. Independent Auditors' Consent	



Report of Independent Registered Public Accounting Firm

The Retirement Committee
Chittenden Corporation
Burlington, Vermont

We have audited the accompanying statements of net assets available for plan benefits of the Chittenden Corporation Incentive Savings and Profit Sharing Plan as of December 31, 2004 and 2003 and the related statements of changes in net assets available for plan benefits for the years then ended. 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 in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for plan benefits of the Chittenden Corporation Incentive Savings and Profit Sharing Plan at December 31, 2004 and 2003, and the changes in its net assets available for plan benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the 2004 basic financial statements taken as a whole. The 2004 information included in the supplemental schedule is presented for purposes of additional analysis and is not a required part of the 2004 basic financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The information in the supplemental schedule has been subjected to the auditing procedures applied in the audit of the 2004 basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the 2004 basic financial statements taken as a whole.

March 18, 2005
VT Reg. No. 92-349

McSoley McCoy & Co.

CHITTENDEN CORPORATION
 INCENTIVE SAVINGS AND PROFIT SHARING PLAN
 Statements of Net Assets Available for Plan Benefits
 December 31, 2004 and 2003

	2004	2003
Assets:		
Investments at fair value (Note 3):		
Corporate stock - Chittenden Corporation, plan sponsor (Note 5)	\$ 29,419,147	\$ 28,311,659
Mutual funds	63,374,203	54,264,756
Money market funds	10,446,167	10,476,975
Investments at fair value	103,239,517	93,053,390
Other investments at contract value (Note 3)	51,563	47,936
Participant loans at face value (Note 3)	2,344,384	2,007,973
Total investments	105,635,464	95,109,299
Receivables:		
Due from brokers	1,396	164,452
Employer contribution receivable	232,097	863,730
Total receivables	233,493	1,028,182
Cash and cash equivalents	152,408	91,259
Total assets	106,021,365	96,228,740
Liabilities:		
Due to brokers	107,041	223,717
Contributions and loan repayment pending allocation	101,208	58,223
Participant loans payable	50,000	18,000
Total liabilities	258,249	299,940
Net assets available for plan benefits	\$ 105,763,116	\$ 95,928,800

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

CHITTENDEN CORPORATION
 INCENTIVE SAVINGS AND PROFIT SHARING PLAN
 Statement of Changes in Net Assets Available for Plan Benefits
 For the Year Ended December 31, 2004

	Participant Directed	Non-Participant Directed		Total
	Investments	Loan Fund	Insurance Contracts	
Additions to net assets attributable to:				
Investment income:				
Net appreciation in fair value of investments (Note 3)	\$ 7,784,743	\$ -	\$ 3,627	\$ 7,788,370
Interest and dividend income	<u>1,508,459</u>	<u>-</u>	<u>-</u>	<u>1,508,459</u>
Total investment income	<u>9,293,202</u>	<u>-</u>	<u>3,627</u>	<u>9,296,829</u>
Contributions:				
Participant contributions	6,812,170	-	-	6,812,170
Employer contributions	1,665,305	-	-	1,665,305
Other	<u>20,787</u>	<u>-</u>	<u>-</u>	<u>20,787</u>
Total contributions	8,498,262	-	-	8,498,262
Loan repayments	<u>904,968</u>	<u>(904,968)</u>	<u>-</u>	<u>-</u>
Total additions, net	<u>18,696,432</u>	<u>(904,968)</u>	<u>3,627</u>	<u>17,795,091</u>
Deductions from net assets attributable to:				
Benefits paid to participants	(7,872,725)	(88,050)	-	(7,960,775)
Loans to participants	<u>(1,329,429)</u>	<u>1,329,429</u>	<u>-</u>	<u>-</u>
Total deductions	<u>(9,202,154)</u>	<u>1,241,379</u>	<u>-</u>	<u>(7,960,775)</u>
Change in net assets	9,494,278	336,411	3,627	9,834,316
Net assets available for plan benefits:				
Beginning of the year	<u>93,872,891</u>	<u>2,007,973</u>	<u>47,936</u>	<u>95,928,800</u>
End of the year	<u>\$ 103,367,169</u>	<u>\$ 2,344,384</u>	<u>\$ 51,563</u>	<u>\$ 105,763,116</u>

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

CHITTENDEN CORPORATION
 INCENTIVE SAVINGS AND PROFIT SHARING PLAN
 Statement of Changes in Net Assets Available for Plan Benefits
 For the Year Ended December 31, 2003

	Participant Directed	Non-Participant Directed		Total
	Investments	Loan Fund	Insurance Contracts	
Additions to net assets attributable to:				
Investment income:				
Net appreciation in fair value of investments (Note 3)	\$ 16,607,740	\$ -	\$ 3,517	\$ 16,611,257
Interest and dividend income	1,293,263	-	-	1,293,263
Total investment income	17,901,003	-	3,517	17,904,520
Contributions:				
Participant contributions	7,921,808	-	-	7,921,808
Employer contributions	2,247,867	-	-	2,247,867
Total contributions	10,169,675	-	-	10,169,675
Loan repayments	874,041	(874,041)	-	-
Transfer from other plans (Note 6)	7,208,663	123,839	-	7,332,502
Total additions, net	36,153,382	(750,202)	3,517	35,406,697
Deductions from net assets attributable to:				
Benefits paid to participants	(4,065,218)	(80,067)	-	(4,145,285)
Loans to participants	(1,125,555)	1,125,555	-	-
Total deductions	(5,190,773)	1,045,488	-	(4,145,285)
Change in net assets	30,962,609	295,286	3,517	31,261,412
Net assets available for plan benefits:				
Beginning of the year	62,910,282	1,712,687	44,419	64,667,388
End of the year	\$ 93,872,891	\$ 2,007,973	\$ 47,936	\$ 95,928,800

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

CHITTENDEN CORPORATION
INCENTIVE SAVINGS AND PROFIT SHARING PLAN
Notes to Financial Statements
December 31, 2004 and 2003

(1) Description of Plan

The following description of the Chittenden Corporation Incentive Savings and Profit Sharing Plan ("the Plan") provides only general information. Participants should refer to the Plan document for a complete description of the Plan's provisions.

- (a) General - The Plan is a qualified profit sharing 401(k) plan covering substantially all employees of the Chittenden Corporation (the "Employer") and its subsidiaries. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").
- (b) Contributions - Participants make voluntary employee salary reduction contributions pursuant to Section 401(k) of the Internal Revenue Code. Participants' basic contributions are from 2% to 6% of compensation. Participants may make additional supplementary contributions of up to 20% of compensation. A participant's annual contribution may not exceed established IRS limits.

The Employer will match 35% of an employee's basic contribution. The Employer may also make annual additional matching contributions to those who are active employees at the end of the year at the discretion of Chittenden Corporation Board of Directors. The discretionary matching contributions are initially invested in either cash or the Chittenden Corporation Stock Fund. Participants may reallocate the contribution to other investment choices immediately upon receipt. Forfeitures, if any, are used to reduce the Employer's regular matching contribution.

Employees may make rollover contributions on approval of the Plan Administrator.

- (c) Participant Accounts - Each participant's account is credited with the participant's basic and supplementary contributions, any rollover, after-tax, or ESOP contributions and his or her allocation of (a) the Employer's contribution; and (b) investment earnings attributable to such contributions. The allocation of the Employer's contribution is based on participants' basic contributions. The allocation of the Plan's earnings is based on participants' account balances. Participants allocate contributions in 5% increments among the investment choices described in Note 3. Matching contributions are automatically invested in accordance with the participant's investment direction for his or her account.
- (d) Vesting - Employee, employer and rollover contributions are 100% vested when made.
- (e) Participant Loans and Withdrawals - After one year of participation, employees may borrow an amount of up to 50% of their vested account balance up to \$50,000. The minimum loan amount is \$1,000. Loans are repaid through payroll deductions over a maximum 5-year term or up to a 10-year term if used for the purchase of a primary residence. The interest rate on employee loans is the prime rate as of the date of approval plus 2%. In-service withdrawals are permitted at any time from a participant's after-tax or rollover account, or from his entire vested account after attainment of age 59 ½. A participant may request a financial hardship withdrawal from his or her pre-tax contribution account prior to age 59 ½ in accordance with IRS rules.
- (f) Payment of Benefits - Upon termination of service for other than death, disability or retirement, a participant's vested portion of his or her account may be paid in a lump sum, may be deferred for up to twelve months or, for account balances greater than \$5,000, deferred until a participant reaches age 65.

Distribution of a participant's entire account balance in the Plan will be made upon death, disability, retirement or other termination of service. Distributions will be made to the participant or to the participant's designated beneficiary in a lump sum payment unless deferral of payment is elected.

Payments may be made in cash or, with respect to the portion of the participant's account invested in Chittenden Corporation stock, in a combination of cash and shares of Chittenden Corporation stock based on market value.

CHITTENDEN CORPORATION
INCENTIVE SAVINGS AND PROFIT SHARING PLAN
Notes to Financial Statements
December 31, 2004 and 2003

Description of Plan (continued)

- (g) Administrative Expenses - Although administrative expenses may be paid from Plan assets, such expenses are paid by the Plan sponsor.
- (h) Income Tax Status - The Plan is qualified under Sections 401(a) and 401(k) of the Internal Revenue Code (the Code) as a qualified cash or deferred arrangement and is exempt from taxation under the Code. The Plan received a favorable determination letter from the Internal Revenue Service dated February 5, 2003 regarding the income tax status of the Plan relative to recent legislative and tax code changes.

(2) Summary of Significant Accounting Policies

(a) Cash and Cash Equivalents

The Plan considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

(b) Investments and Investment Income

Investments are held and maintained by the Plan trustee, Chittenden Trust Company, and are reported at fair value. The fair value of participant directed investment assets, which includes all investments other than insurance contracts and participant loans receivable, are measured by quoted prices in an active market. Participant loans receivable are valued at face amount, which approximates fair value. The guaranteed investment accounts are recorded at their contact amount, which approximates fair value.

(c) Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(3) Investments

Upon enrollment in the Plan, a participant may direct employee and sponsor matching contributions into various investment options. A description of the participant directed investment fund options available during 2004 follows:

- (a) Federated Automated Cash Management - The primary objective is to achieve an income return through investment in federally insured deposit accounts. Returns will approximate those of relatively short-term cash equivalent vehicles, which normally realize lower comparable yields than long-term, higher risk vehicles. Invested capital will not vary.
- (b) Federated U.S. Government Securities 2-5 Year Fund - The investment purpose is to realize relatively stable current income through a high-quality, professionally managed portfolio of U.S. government securities. The fund is appropriate for investors whose goals include greater stability of principal and higher current income than can be expected from investing only in common stocks.

CHITTENDEN CORPORATION
INCENTIVE SAVINGS AND PROFIT SHARING PLAN
Notes to Financial Statements
December 31, 2004 and 2003

Investments (continued)

- (c) Chittenden Corporation Stock Fund - The principal aim is to participate in the growth of the Plan sponsor, Chittenden Corporation and its subsidiaries through investment in its common stock. Invested capital will vary directly with the price of Chittenden Corporation stock, which trades on the New York Stock Exchange under the symbol CHZ.
- (d) Federated Stock and Bond Fund - The fund seeks relative safety of capital with the possibility of long-term growth of capital and income by investing in common and preferred stocks, bonds, notes, and short-term obligations.
- (e) PIMCO PEA Renaissance Fund - The fund seeks long-term capital growth and current income. The Fund seeks to achieve its investment objective by normally investing at least 65% of its assets in common stocks of companies with below-average valuations whose business fundamentals are expected to improve. In April of 2005 this investment was renamed "Allianz OpCap Renaissance."
- (f) Baron Growth Fund - The fund invests in both equity and debt securities. The equity portion consists mainly of common stocks and stock-related investments issued by companies with market capitalizations between \$100 million and \$2 billion. The fund may invest up to 25% of assets in debt rated below investment-grade.
- (g) American Funds EuroPacific Growth Fund - The fund seeks long-term growth of capital. It invests primarily in securities of issuers located in Europe and the Pacific Basin.
- (h) American Funds Growth Fund of America - The fund seeks long-term growth of capital through a diversified portfolio of common stocks. The fund may also hold cash or money market instruments.
- (i) American Funds AMCAP Fund - The fund seeks to make investments grow over time by investing primarily in stocks of U.S. Companies with a record of above average long-term growth.
- (j) Federated Stock Trust Fund - The investment objective is to provide the potential to achieve growth of income and capital. The fund invests in high quality blue chip stocks from some of America's premier corporations that appear to be temporarily undervalued.
- (k) Federated Max-Cap Index Trust Fund - The fund seeks investment results that correspond with the aggregate price and dividend performance of publicly traded common stocks as represented by the S + P 500 Index.
- (l) Federated Capital Appreciation Fund - The fund seeks capital appreciation by investing mainly in stocks of mid to large-cap U.S companies considered undervalued or with strong growth characteristics.

CHITTENDEN CORPORATION
 INCENTIVE SAVINGS AND PROFIT SHARING PLAN
 Notes to Financial Statements
 December 31, 2004 and 2003

Investments (continued)

Non-participant directed investments include participant loans receivable totaling \$2,344,384 and \$2,007,973 as of December 31, 2004 and 2003, respectively.

Guaranteed investment accounts at New England Financial totaling \$51,563 and \$47,936 at December 31, 2004 and 2003, respectively, have also been classified as non-participant directed investments. These insurance contracts were transferred into the Plan during the merger of the Pomerleau Agency, Inc. Profit Sharing Plan into the Chittenden Plan. After the transfer into the Plan, participant and employer contributions were no longer allowed to be invested in the contracts.

Investments that represent 5% or more of the Plan's net assets at December 31, 2004 and 2003 are as follows:

	Fair Value	
	2004	2003
Chittenden Corporation: (1,023,987 shares in 2004 and 1,052,008 in 2003)	\$ 29,419,147	\$ 28,311,659
Federated U.S. Government Securities 2 - 5 year Fund: (688,202 shares in 2004 and 774,101 shares in 2003)	7,776,677	8,917,643
Federated Stock and Bond Fund: (272,630 shares in 2004, and 266,105 shares in 2003)	5,144,521	4,803,187
PIMCO PEA Renaissance Fund: (410,872 shares in 2004, and 371,497 shares in 2003)	10,937,411	8,559,300
Federated Capital Appreciation Fund: (318,441 shares in 2004, and 353,969 shares in 2003)	8,072,482	8,449,238
American Funds Growth Fund of America: (419,209 shares in 2004, and 388,796 shares in 2003)	11,415,072	9,506,064
Baron Growth Fund: (173,100 shares in 2004, and 138,023 shares in 2003)	7,766,989	4,891,536
Federated Automated Cash Management: (10,446,149 units in 2004 and 10,476,975 units in 2003)	10,446,167	10,476,975

CHITTENDEN CORPORATION
INCENTIVE SAVINGS AND PROFIT SHARING PLAN

Notes to Financial Statements
December 31, 2004 and 2003

Investments (continued)

Net appreciation in the fair value of investment securities during the years ended December 31, 2004 and 2003 are as follows:

	<u>2004</u>	<u>2003</u>
Corporate stock	\$ 1,930,369	\$ 6,890,990
Insurance contracts	3,627	3,517
Mutual funds	<u>5,854,374</u>	<u>9,716,750</u>
	<u>\$ 7,788,370</u>	<u>\$ 16,611,257</u>

(4) Plan Termination

Although it has not expressed any intention to do so, the Employer has the right under the Plan to terminate the Plan subject to the provisions of ERISA.

(5) Related Party Transactions

At December 31, 2004 and 2003, participant directed investments included \$29,419,147 and \$28,311,659 of Chittenden Corporation common stock. Chittenden Corporation is the Plan Sponsor.

(6) Plan Mergers and Divestitures

Effective January 1, 2003, the Plan was amended to allow for the merger of the Maine Bank & Trust Profit Sharing Plan into the Chittenden Plan. The employees of Maine Bank & Trust became eligible to participate in the Chittenden Plan effective January 1, 2003. The effect of the transfer was an addition of \$4,382,838 in Plan assets and an increase of 160 Plan participants.

Also, in 2003, the Plan was amended to allow for the merger of the Granite Bank Profit Sharing Plan into the Chittenden Plan. The employees of Granite Bank became eligible to participate in the Chittenden Plan effective March 1, 2003. The effect of the transfer was an addition of \$2,949,664 in Plan assets and an increase of 320 Plan participants.

(7) Withdrawing Participants

Amounts allocated to accounts of participants who have elected to withdraw from the Plan but who have not been paid as of December 31, 2004 amounted to \$775,969.

CHITTENDEN CORPORATION
 INCENTIVE SAVINGS AND PROFIT SHARING PLAN
 Schedule H, line 4i - Schedule of Assets (Held at End of Year)
 December 31, 2004

Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Sponsor : Chittenden Corporation

Administrator's EIN: 03-0228404
 Plan number: 002

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par or maturity value	Cost	Current Value
*	Federated U.S. Government Securities 2-5 Year Fund	688,201.510 shares		\$ 7,776,677
*	Federated Stock and Bond Fund	272,629.616 shares		5,144,521
*	Federated Stock Trust Fund	129,152.030 shares		4,801,872
*	Federated Max-Cap Index Trust Fund	47,657.632 shares		1,167,612
	PIMCO PEA Renaissance Fund	410,871.931 shares		10,937,411
	Baron Growth Fund	173,099.820 shares		7,766,989
*	Federated Capital Appreciation Fund	318,441.113 shares		8,072,482
	American Funds Growth Fund of America	419,209.383 shares		11,415,072
	American Funds AMCAP Fund	121,585.251 shares		2,225,010
	American Funds EuroPacific Growth Fund	115,330.603 shares		4,066,557
*	Chittenden Corporation Stock Fund	1,023,987.000 shares		29,419,147
*	Federated Automated Cash Management	10,446,148.930 units		10,446,167
	New England Financial GIC	51,563.38 units		51,563
	Participant Loans	6.00% - 11.50%	-	<u>2,344,384</u>
				<u>\$ 105,635,464</u>

Exhibit A

INDEPENDENT AUDITORS' CONSENT

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (Nos. 333-80747 and 333-87586), S-4 (No. 333-102123) and Form S-8 (Nos. 333-124270, 333-81197, 333-90780, 333-63624, and 333-25531) of Chittenden Corporation of our report dated March 18, 2005 appearing in this Annual Report on Form 11-K of the Chittenden Corporation Incentive Savings and Profit Sharing Plan for the year ended December 31, 2004.

March 18, 2005
South Burlington, Vermont
VT Reg. No. 92-349

M. Soling McCoy & Co.