SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K/A

CURRENT REPORT (Amended)

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

Date of Report (Date of earliest event reported) October 6, 1997

RUSH ENTERPRISES, INC.
(Exact Name of Registrant As Specified in Its Charter)

Delaware	0-20717	74-1733016
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

8810 I.H. 10 East, San Antonio, Texas	78218
(Address of Principal Executive Offices)	(Zip Code)

Registrant's Telephone Number, Including Area Code (210) 661-4511

Not Applicable
(Former Name or Former Address, If Changed Since Last Report)

ITEM 7. Financial Statements and Exhibits.

(a) Financial Statements of Businesses Acquired.

On October 6, 1997, the registrant, Rush Enterprises, Inc. ("Rush"), caused it's wholly owned subsidiary, Rush Equipment Centers Inc., to acquire substantially all of the assets of the John Deere Construction Equipment Division ("the Dealership") of C. Jim Stewart & Stevenson, Inc. ("CJSS"). Rush will account for the acquisition as a purchase.

The assets are used to conduct the acquired business (the John Deere Construction Equipment Division (the Dealership) of C. Jim Stewart & Stevenson, Inc.). In accordance with Rule 3-05 of Regulation S-X (17 C.F.R. 210.3-05(b)), audited financial statements for the acquired business are filed with this Report. With the concurrence of the Securities and Exchange Commission, pursuant to Rule 3-13 of Regulation S-X, as expressed in a letter dated October 27, 1997, from Craig C. Olinger, Deputy Chief Accountant to the Company, the audited financial statements of the acquired business consist of an audited statement of the assets to be acquired and liabilities to be assumed as of January 31, 1997, audited statement of revenues and direct operating expenses for the year ended January 31, 1997, and accompanying notes.

(b) Pro Forma Financial Information.

In accordance with Article 11 of Regulation S-X, pro forma financial information is filed with this Report. With the concurrence of the Securities and Exchange Commission, pursuant to Rule 3-13 of Regulation S-X, as expressed in a letter dated October 27, 1997, from Craig C. Olinger, Deputy Chief Accountant, to the Company, the pro forma financial information consists of an unaudited pro forma condensed consolidated balance sheet as of June 30, 1997, an unaudited pro forma condensed consolidated statement of operations for the six months ended June 30, 1997, an unaudited condensed consolidated statement of operations for the year ended December 31, 1996, and accompanying explanation and notes.

(c) Exhibits.

Exhibit	Description
99.1	C. Jim Stewart & Stevenson Construction Equipment Division, Financial Statements of Net Assets to be Acquired and Liabilities to be Assumed as of January 31, 1997, and July 31, 1997, and the Statements of Revenues and Direct Operating Expenses for the Year Ended January 31, 1997, and the Six-Month Periods Ended July 31, 1997 and 1996
99.2	Rush Enterprises, Inc., Pro Forma Condensed Consolidated Financial Statements

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: December 19, 1997

RUSH ENTERPRISES, INC.

By /s/ Martin A. Naegelin, Jr.

Martin A. Naegelin, Jr.
Vice President, Finance and
Chief Financial Officer

EXHIBIT INDEX

Exhibit	Description
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99.2	Rush Enterprises, Inc., Pro Forma Condensed Consolidated Financial Statements

Exhibit 99.1

C. JIM STEWART & STEVENSON JOHN DEERE
CONSTRUCTION EQUIPMENT DIVISION

FINANCIAL STATEMENTS OF NET ASSETS TO BE ACQUIRED AND LIABILITIES TO BE ASSUMED AS OF JANUARY 31, 1997, AND JULY 31, 1997, AND THE STATEMENTS OF REVENUES AND DIRECT OPERATING EXPENSES FOR THE YEAR ENDED JANUARY 31, 1997, AND THE SIX-MONTH PERIODS ENDED JULY 31, 1997 AND 1996 TOGETHER WITH AUDITORS' REPORT

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Management of
Rush Enterprises, Inc.:

We have audited the accompanying statement of net assets to be acquired and liabilities to be assumed of C. Jim Stewart & Stevenson Construction Equipment Division (the Business) as of January 31, 1997, and the related statement of revenues and direct operating expenses for the year ended January 31, 1997. These financial statements are the responsibility of the Business's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 audit provides a reasonable basis for our opinion.

As described in Note 2, the accompanying financial statements were prepared for the purpose of complying with Rule 3-05 of Regulation S-X of the Securities and Exchange Commission and are not intended to be a complete presentation of assets and liabilities and results of operations on a stand-alone basis of the Business.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets to be acquired and liabilities to be assumed of the Business as of January 31, 1997, and the revenues and direct operating expenses for the year ended January 31, 1997, as described in Note 2, in conformity with generally accepted accounting principles.

ARTHUR ANDERSEN LLP

San Antonio, Texas
August 22, 1997

C. JIM STEWART & STEVENSON CONSTRUCTION EQUIPMENT DIVISION

STATEMENTS OF NET ASSETS TO BE ACQUIRED

AND LIABILITIES TO BE ASSUMED

	January 31, 1997	July 31, 1997 (Unaudited)
INVENTORIES	$20,406,413	$21,645,374
PROPERTY AND EQUIPMENT, net	3,951,677	3,954,309
VACATION AND SICK PAY ACCRUED LIABILITIES	(39,178)	(39,178)
Total net assets to be acquired and liabilities to be assumed	$24,318,912	$25,560,505

The accompanying notes are an integral part of these statements.

C. JIM STEWART & STEVENSON CONSTRUCTION EQUIPMENT DIVISION

STATEMENTS OF REVENUES AND DIRECT OPERATING EXPENSES

FOR THE YEAR ENDED JANUARY 31, 1997, AND

THE SIX MONTH PERIODS ENDED JULY 31, 1996 AND 1997

	January 31, 1997	July 31 1996 (Unaudited)	July 31 1997 (Unaudited)
REVENUES:			
New and used equipment sales	$15,917,934	$ 8,323,335	$13,902,238
Parts and service	5,023,088	2,686,136	2,652,990
Rental	4,004,351	2,025,560	2,298,924
Total revenues	24,945,373	13,035,031	18,854,152
DIRECT OPERATING EXPENSES:			
Cost of products sold	20,365,505	10,575,275	14,883,673
Selling, general and administrative	5,155,981	2,221,702	2,955,607
Depreciation and amortization	178,953	70,622	103,990
DIRECT OPERATING PROFIT (LOSS)	$ (755,066)	$ 167,432	$ 910,882

The accompanying notes are an integral part of these statements.

C. JIM STEWART & STEVENSON CONSTRUCTION EQUIPMENT DIVISION

NOTES TO FINANCIAL STATEMENTS

JANUARY 31, 1997

1. ORGANIZATION AND OPERATIONS:

The construction equipment division of C. Jim Stewart & Stevenson (the Business), is a division of Stewart & Stevenson Services, Inc. (a Texas corporation).

The Business markets, construction, utility and forestry equipment, components, replacement parts and other material supplied by independent manufacturers in southeast Texas, and provides in-shop and on-site repair services for such products. The Business maintains a distribution agreement with John Deere Industrial Equipment Company that requires the Business to purchase and stock the products and repair parts covered by the agreement for resale to end users, original equipment manufacturers or independent dealers. This agreement also requires the Business to provide after-sale services.

2. SIGNIFICANT ACCOUNTING POLICIES:

Basis of Presentation

On October 6, 1997, Rush Enterprises, Inc. (Rush), and Rush Equipment Centers of Texas, Inc. and C. Jim Stewart & Stevenson, Inc. and Stewart & Stevenson Realty Corporation, defined collectively as,(CJS&S), entered into an Asset Purchase Agreement (the Agreement) whereby Rush agreed to purchase from CJS&S certain assets and assume certain liabilities of the Business.

The accompanying statements of net assets to be acquired and liabilities to be assumed presents, as of January 31, 1997 and July 31, 1997, the assets and liabilities of the Business acquired by Rush pursuant to the Agreement. The acquired net assets consist primarily of inventory, land, buildings and the assumption of vacation and sick pay accruals. The Business's customer accounts and customer account contracts were also acquired by Rush. However, accounts receivable from the customer accounts and any assets or liabilities related to the customer account contracts as of October 6, 1997, were retained by CJS&S. In addition, cash, prepaid assets, income tax benefits and liabilities, accrued expenses (other than vacation and sick pay accruals) and certain other assets and liabilities related to the Business were retained by CJS&S and are not included herein. The statements of revenue and direct operating expenses represent those revenues and expenses that are specifically identifiable to the Business and do not include certain expenses as described in Note 4.

As a result, the accompanying financial statements are not intended to be a complete presentation of the Business's assets and liabilities and results of operations had it been operated as a stand-alone entity (see Note 4). Rather, these financial statements were prepared for the purpose of complying with Rule 3-05 of Regulation S-X of the Securities and Exchange Commission.

The financial statements for the six months ended July 31, 1996 and 1997, have been prepared by the Business, without audit, pursuant to Accounting Principles Board (APB) Opinion No. 28, "Interim Financial Reporting." Certain information and footnote disclosures normally included in the financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to APB Opinion No. 28; nevertheless, management of the Business believes that the disclosures herein are adequate to prevent the information presented from being misleading. In the opinion of management, all adjustments, consisting only of normal recurring adjustments, necessary to present fairly the revenues and direct operating expenses for the six months ended July 31, 1996 and 1997, have been included herein.

Inventories

Inventories are stated at the lower of cost or market value. Cost is determined by specific identification for new and used equipment inventory and by utilizing the last-in, first-out method for parts and accessories.

Accounts Receivable, Net

Even though accounts receivable were not acquired by Rush as part of the Agreement, the Business had net accounts receivable, of $3,527,807 and $5,342,388 at January 31, 1997, and July 31, 1997, respectively.

Property and Equipment

Property and equipment are being depreciated over their estimated useful lives. Leasehold improvements are amortized over the useful life of the improvement, or the term of the lease, whichever is shorter. Both the straight-line and double declining-balance methods of depreciation are used. The cost, accumulated depreciation and amortization and estimated useful lives are summarized as follows:

	January 31, 1997	Estimated Life (Years)
Land	$ 1,632,192	--
Buildings	2,268,000	30
Leasehold improvements	93,692	10 - 15
Machinery and equipment	522,029	3 - 4
Furniture and fixtures	275,802	4
Autos and trucks	315,108	3 - 4
Intangibles, software	21,396	5
Accumulated depreciation and amortization	(1,176,542)	
	$ 3,951,677	

Floor Plan Liabilities

Even though not assumed by Rush as part of the Agreement, the Business had floor plan liabilities of $3,888,414 and $6,811,746 at January 31, 1997, and July 31, 1997, respectively.

Floor plan liabilities are financing agreements to facilitate the Business's purchase of new and used equipment. These liabilities are collateralized by the inventory purchased and accounts receivable arising from the sale thereof. The Business's floor plan notes have interest rates at prime plus a percentage rate as determined by the finance provider, as defined in the related finance agreement. The amounts borrowed under these agreements are due when the related inventory (collateral) is sold and the sales proceeds are collected by the Business. These lines are discretionary and may be modified, suspended or terminated at the election of the lender, at any time.

Revenue Recognition Policies

Income on the sale of equipment is recognized when the seller and customer execute a purchase contract and there are no significant uncertainties related to financing or delivery. Rental income is recognized over the period of the related rental agreement. Parts and services revenue is earned at the time the Company sells the parts to its customers, or at the time the Company completes the service work order related to service provided to the customer's vehicle.

3. INVENTORIES:

The Company's inventories consisted of the following as of January 31, 1997:

New equipment	$ 5,667,597
Used equipment	1,272,381
Rental equipment	11,826,141
Parts and accessories	1,640,294
Total	$20,406,413

Pursuant to the Agreement, most of the new equipment inventory, excluding all rental equipment, as of the date of the acquisition was repurchased by John Deere Industrial Equipment Company and resold to Rush.

4. DIRECT OPERATING EXPENSES:

The direct operating expenses of the Business include costs associated with the sale of equipment and direct customer support to produce revenues. Certain corporate Selling, general and administrative expenses, employee benefit costs, interest expense and provision for income taxes incurred by CJS&S on behalf of and to support the Business have not been included in these financial statements since these costs have historically been included in CJS&S's consolidated statement of operations and have not been allocated to the various CJS&S businesses. Accordingly, as also indicated in Note 1, the accompanying financial statements are not intended to be a complete presentation of the Business's assets and liabilities and results of operations had it been operated as a stand-alone entity.

5. CERTAIN CASH FLOW INFORMATION:

Certain cash flow information related to the operations of the Business is provided below:

	January 31, 1997	July 31	
		1996 (Unaudited)	1997 (Unaudited)
Operating activities-			
Direct operating profit (loss)	$ (755,066)	$ 167,432	$ 910,882
Depreciation and amortization	178,953	70,622	103,990
Bad debt expense	256,001	56,336	63,000
Changes in accounts receivable	(149,902)	(242,350)	(1,877,581)
Change in inventory	(831,885)	1,670,080	(1,238,961)
Change in floor plan liabilities	(668,001)	(1,161,139)	2,923,332
Net cash flows from operating activities	$(1,969,900)	$ 560,981	$ 884,662
Investing activities-			
Purchases of property and equipment	$ (296,476)	$ (85,341)	$ (126,280)

Exhibit 99.2

RUSH ENTERPRISES, INC.

PRO FORMA FINANCIAL STATEMENTS (UNAUDITED)

The following unaudited pro forma condensed consolidated financial statements give effect to the acquisition by Rush Enterprises, Inc. (Rush), of certain assets of the John Deere Construction Equipment Division - Houston, Texas (the Business), of C. Jim Stewart & Stevenson, Inc. (CJS&S), using the purchase method of accounting, and are based on estimates and assumptions set forth below and in the notes to such statements. The Business represented an insignificant component of CJS&S consolidated revenues and was not a separate legal entity for which full audited financial statements were prepared. These pro forma condensed consolidated financial statements are based upon the historical financial statements of Rush adjusted to give effect to the acquisition on October 6, 1997.

The financial information of Rush is based upon its audited consolidated financial statements for the year ended December 31, 1996, and its unaudited consolidated financial statements as of and for the six-month period ended June 30, 1997. An audited statement of assets to be acquired and liabilities to be assumed as of January 31, 1997, and audited statements of revenues and direct operating expenses for the year ended January 31, 1997, of the Business are included herein (as Exhibit 99.1). The financial information of the Business is based upon the audited statement of revenues and direct operating expenses for the year ended January 31, 1997, described above, the unaudited statement of revenues and direct operating expenses of the Business for the six-month period ended July 31, 1997, and its assets acquired and liabilities assumed as of October 6, 1997 (date of transaction).

The unaudited pro forma condensed consolidated statements of operations for the year ended January 31, 1997, and the six-month period ended July 31, 1997, have been prepared on the assumption that the transaction had occurred on January 1, 1996. The unaudited pro forma condensed consolidated balance sheet has been prepared on the assumption that the transaction had occurred as of Rush's latest interim balance sheet, June 30, 1997.

The pro forma adjustments are based upon preliminary estimates, available information and certain assumptions that management deemed appropriate. Final purchase accounting adjustments will be made on the basis of appraisals and evaluations and, therefore, may differ from the pro forma adjustments presented herein. The unaudited pro forma final information does not profess to represent Rush's results of operations or financial position had the above transaction, in fact, occurred on these dates, or project the combined Company's financial position or results of operations for any future date or period. The pro forma condensed consolidated financial statements should be read in conjunction with Rush's consolidated historical financial statements and notes thereto, contained in Rush's Annual Report on Form 10-K and Rush's Quarterly Report on Form 10-Q for the quarter ended June 30, 1997. The Company's future historical financial statements will reflect the acquisition of the Business as of October 6, 1997.

RUSH ENTERPRISES, INC., AND SUBSIDIARIES

PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited)

(In Thousands)

	Rush Enterprises, Inc., June 30, 1997	CJS&S Construction Equipment Division, October 6, 1997	Pro Forma Adjustments(1)	Total Pro Forma
ASSETS				
CURRENT ASSETS:				
Cash and cash equivalents	$ 15,142	$ --	$ (4,000)(A)	$ 11,142
Accounts receivable, net	18,169	--	--	18,169
Inventories	34,551	21,271	--	55,822
Prepaid expenses and other	579	--	--	579
Total current assets	68,441	21,271	(4,000)	85,712
PROPERTY AND EQUIPMENT, net	25,219	4,409	200 (B)	29,828
OTHER ASSETS, net	8,934	--	4,375 (C)	13,309
Total assets	$ 102,594	$ 25,680	$ 575	$128,849
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES:				
Floor plan notes payable	$ 32,809	$ --	$ 21,074 (A)	$ 53,883
Current maturities of long-term debt	7,471	--	205 (A)	7,676
Advances outstanding under lines of credit	20	--	--	20
Trade accounts payable	6,053	--	--	6,053
Accrued expenses	4,658	39	--	4,697
Total current liabilities	51,011	39	21,279	72,329
DEFERRED INCOME TAX LIABILITY, net	1,122	--	--	1,122
LONG-TERM DEBT, net of current maturities	11,987	--	4,937 (A)	16,924
SHAREHOLDERS' EQUITY	38,474	--	--	38,474
Total liabilities and shareholders' equity	$ 102,594	$ 39	$ 26,216	$128,849

See accompanying notes to pro forma unaudited consolidated financial statements.

RUSH ENTERPRISES, INC., AND SUBSIDIARIES

PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(In Thousands, Except Earnings Per Share - Unaudited)

	Rush Enterprises, Inc., Year Ended December 31, 1996 (Audited)	CJS&S Construction Equipment Division, Year Ended January 31, 1997	Pro Forma Adjustments(1)		Total Pro Forma
REVENUES	$343,661	$ 24,945	$ --		$368,606
COST OF PRODUCTS SOLD	289,143	20,366	--		309,509
GROSS PROFIT	54,518	4,579	--		59,097
SELLING, GENERAL AND ADMINISTRATIVE	40,552	5,156	--		45,708
DEPRECIATION AND AMORTIZATION	2,416	179	146	(C)	2,741
OPERATING INCOME	11,550	(756)	(146)		10,648
INTEREST EXPENSE	3,053	--	1,922	(D)	4,975
INCOME BEFORE INCOME TAXES	8,497	(756)	(2,068)		5,673
PROVISION FOR INCOME TAXES	2,295	--	(1,073)	(E)	1,222
NET INCOME	$ 6,202	$ (756)	$ (995)		$ 4,451
EARNINGS PER SHARE:					
Pro forma data (Note 2)-					
Income from continuing operations before income taxes	$ 8,497				$ 5,673
Pro forma adjustments to reflect federal and state income taxes	3,229				2,886
Pro forma income from continuing operations after provision for income taxes	$ 5,268				$ 2,787
Pro forma income from continuing operations per share	$ .94				$ .50
Weighted-average shares outstanding used in the pro forma income from continuing operations per share calculation	5,590				5,590

See accompanying notes to pro forma unaudited consolidated financial statements.

RUSH ENTERPRISES, INC., AND SUBSIDIARIES

PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(In Thousands, Except Earnings Per Share - Unaudited)

	Rush Enterprises, Inc., Year Ended June 30, 1996	CJS&S Construction Equipment Division, Year Ended July 31, 1997	Pro Forma Adjustments(1)	Total Pro Forma
REVENUES	$ 178,684	$ 18,854	$ --	$ 197,538
COST OF PRODUCTS SOLD	151,044	14,884	--	165,928
GROSS PROFIT	27,640	3,970	--	31,610
SELLING, GENERAL AND ADMINISTRATIVE	22,500	2,955	--	25,455
DEPRECIATION AND AMORTIZATION	1,343	104	73 (C)	1,520
OPERATING INCOME	3,797	911	(73)	4,635
INTEREST EXPENSE	923	--	961 (D)	1,884
INCOME BEFORE INCOME TAXES	2,874	911	(1,034)	2,751
PROVISION FOR INCOME TAXES	1,092	--	(47) (E)	1,045
NET INCOME	$ 1,782	$ 911	$ (987)	$ 1,706
EARNINGS PER SHARE	$ .27			$ .26
WEIGHTED-AVERAGE SHARES OUTSTANDING	6,644			6,644

See accompanying notes to pro forma unaudited consolidated financial statements.

RUSH ENTERPRISES, INC.

NOTES TO PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(In Thousands)

(Unaudited)

1. Pro forma adjustments related to the acquisition of C. Jim Stewart & Stevenson John Deere Construction Equipment Division (the Business):

   A. These adjustments reflect the consideration paid for the business, which consisted of approximately $4,000 in cash, $15,968 in floor plan financing of inventory at 7.5% interest due on December 31, 1997, $5,106 in non-interest bearing floor plan financing, $2,062 promissory note at 7% interest due in October 2002 and $3,080 real estate note at 7.8% interest due in October 2112.

   B. To increase property and equipment to an estimated fair value.

   C. Record the goodwill associated with the acquisition of the Business along with the related amortization of goodwill over its estimated useful life of 30 years.

   D. Record the interest effect of the borrowings associated with the acquisition of the Business.

   E. Provide for federal and state income tax expense at an effective tax rate of 38 percent as if the Business had been taxed as a C corporation for the year ended January 31, 1997, and the six-month period ended July 31, 1997.

2. Pro forma income from continuing operations and pro forma income from continuing operations per share have been determined assuming that the Company had been taxed as a C corporation for federal and certain state income tax purposes since January 1, 1996.

   Pro forma income from continuing operations per share had been computed using the weighted-average number of common shares outstanding of the Company. Weighted-average common shares for all periods presented prior to the Company's initial public offering have been increased by 547,400 shares to reflect the number of shares that would have to have been sold at the offering price per share to repay an approximate $6,000,000 distribution of undistributed S corporation earnings.