

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

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

AUGUST 11, 2006
Date of Report (Date of earliest event reported)

COLONIAL COMMERCIAL CORP.
(Exact name of Registrant as Specified in Charter)

NEW YORK (State or other Jurisdiction of Incorporation)	1-6663 (Commission File Number)	11-2037182 (IRS Employer Identification No.)
275 WAGARAW ROAD, HAWTHORNE, NEW JERSEY (Address of Principal Executive Offices)		07506 (Zip Code)

Registrant's Telephone Number, Including Area Code: 973-427-8224

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On August 11, 2006 Colonial Commercial Corp. (the "Company") issued a press release announcing its second quarter 2006 financial results. A copy of this press release is furnished as Exhibit 99.1 to this report.

In accordance with General Instruction B.2 of Form 8-K, the information in this Current Report on Form 8-K, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

Exhibit No.	Description
99.1	Press Release dated August 11, 2006

SIGNATURES

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.

COLONIAL COMMERCIAL CORP.

(Registrant)

Date: August 14, 2006

/s/ William Salek

William Salek
Chief Financial Officer

INDEX TO EXHIBITS

Exhibit No.	Description
99.1	Press Release dated August 11, 2006

</TEXT>
</DOCUMENT>

COLONIAL COMMERCIAL CORP. REPORTS

SECOND QUARTER FINANCIAL RESULTS

HAWTHORNE, New Jersey (August 11, 2006) - Colonial Commercial Corp. ("Colonial") (OTC Bulletin Board: "CCOM," "CCOMP") today announced its results for the second quarter of 2006.

For the quarter ended June 30, 2006, sales increased by 3.7%, or \$653,970, to \$18,155,812 from \$17,501,842 for the same period in 2005. Net income was \$341,833 for the quarter ended June 30, 2006, compared to net income of \$520,182 for the same period in 2005. Gross profit increased by 6.0%, or \$308,814, to \$5,440,933 from \$5,132,119 for the same period in 2005. Gross profit expressed as a percentage of sales increased by 0.7% to 30.0% in 2006 compared to 29.3% for the comparable period in 2005.

For the six months ended June 30, 2006, sales increased by 7.1%, or \$2,190,864, to \$33,040,025 from \$30,849,161 for the same period in 2005. The Company incurred a loss of \$81,256 in the six months ended June 30, 2006, compared to net income of \$321,249 for the same period in 2005. Gross profit increased by 6.8%, or \$642,510, to \$10,027,700 for the six months ended June 30, 2006 from \$9,385,190 for the same period in 2005. Gross profit expressed as a percentage of sales remained at 30.4% in 2006 compared to the same period in 2005.

William Pagano, the Company's Chief Executive Officer, said, "We have continued our long-term approach to 'business building' by adding engineering and sales staff and capabilities to our control systems business. We see this as a unique opportunity to expand our penetration in that market and to capitalize on the more complicated, commercial, energy-saving control systems business. This expansion continues to enable us to offer proprietary products and systems that are not readily available through competitive distributors. We also added staff to improve our customer service levels and efficiencies. These investments in additional personnel provide the base for our next level of growth and profitability."

Colonial distributes heating, ventilating and air conditioning, ("HVAC"), equipment, parts and accessories, climate control systems, and plumbing supplies to HVAC contractors, primarily in the New York metropolitan area through its Universal Supply Group, Inc. ("Universal"), American/Universal Supply Inc. ("American") and The RAL Supply Group, Inc. ("RAL") subsidiaries. These contractors purchase and install equipment and systems for residential, commercial and industrial users. Universal also provides control system design, custom control panel fabrication, technical field support, in-house training and climate control consultation for engineers and installers. It is a leader in the design of direct digital control systems and systems that control multi-location facilities through the Internet. Universal is headquartered in New Jersey, and, with its affiliates, operates out of seven locations in New Jersey; nine in New York and one in Pennsylvania. For more information on Colonial Commercial Corp.'s operations, products and/or services, please visit www.colonialcomm.com.

Safe Harbor Statement: The foregoing press release contains statements

concerning Colonial Commercial Corp.'s financial performance, markets and business operations that may be considered "forward-looking" under applicable securities laws. Colonial wishes to caution readers of this press release that actual results might differ materially from those projected in any forward-looking statements. Factors which might cause actual results to differ materially from those projected in the forward-looking statements contained herein include the following: continued acceptance of the Company's products in the marketplace, competitive factors, dependence upon third-party vendors, and other risks detailed in the Company's periodic report filings with the Securities and Exchange Commission. These and certain other factors which might cause actual results to differ materially from those projected are detailed from time to time in Colonial's periodic reports and registration statements filed with the Securities and Exchange Commission, which important factors are incorporated herein by reference. Colonial undertakes no obligation to update forward looking statements to reflect changed assumptions, the occurrence of unanticipated events, or changes in future operating results, financial condition or business over time.

FOR FURTHER INFORMATION, PLEASE CONTACT:

WILLIAM PAGANO, CHIEF EXECUTIVE OFFICER, OR WILLIAM SALEK, CHIEF FINANCIAL OFFICER, AT (973) 427-8224

(Financials Highlights Follow)

COLONIAL COMMERCIAL CORP. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets

	June 30, 2006	December 31, 2005
	-----	-----
	(Unaudited)	
Assets		
Current assets:		
Cash	\$ 970,012	\$ 613,456
Accounts receivable, net of allowance for doubtful accounts of \$193,636 2006 and \$185,971 in 2005	9,122,694	8,489,717
Inventory	13,666,179	12,214,261
Prepaid expenses and other current assets	993,110	1,066,658
Deferred tax asset - current portion	637,500	637,500
	-----	-----
Total current assets	25,389,495	23,021,592
Property and equipment	1,642,971	1,669,484
Goodwill	1,628,133	1,628,133
Other intangibles	4,500	11,334
Other assets - noncurrent	132,679	135,832
Deferred tax asset - noncurrent	1,071,000	1,071,000
	-----	-----
	\$29,868,778	\$ 27,537,375
	=====	=====
Liabilities and Stockholders' Equity		
Current liabilities:		
Trade payables	\$ 6,089,099	\$ 5,991,946
Accrued liabilities	2,020,377	2,047,159
Income taxes payable	971	12,772
Borrowings under credit facility - revolving credit	13,562,196	11,183,008
Borrowings under credit facility - term loan/overadvance	562,977	562,977
Notes payable - current portion; includes related party notes of \$30,000 in 2006 and \$60,389 in 2005	133,395	165,112
	-----	-----
Total current liabilities	22,369,015	19,962,974
Notes payable, excluding current portion; includes related party notes of \$1,010,000 in 2006 and \$1,000,625 in 2005	1,399,452	1,400,834
	-----	-----
Total liabilities	23,768,467	21,363,808
	-----	-----
Commitments and contingencies		
Stockholders' equity:		
Redeemable convertible preferred stock, \$.05 par value, 2,500,000 shares authorized, 468,924 in 2006 and 484,721 in 2005 shares issued and outstanding, liquidation preference of \$2,344,620 in 2006 and \$2,423,605 in 2005	23,446	24,236
Common stock, \$.05 par value, 20,000,000 shares authorized, 4,592,256 in 2006 and 4,544,459 in 2005 shares issued and outstanding	229,613	227,223
Additional paid-in capital	10,633,259	10,626,859
Accumulated deficit	(4,786,007)	(4,704,751)
	-----	-----
Total stockholders' equity	6,100,311	6,173,567
	-----	-----
	\$29,868,778	\$ 27,537,375
	=====	=====

COLONIAL COMMERCIAL CORP. AND SUBSIDIARIES
Condensed Consolidated Statements of Operations
(Unaudited)

	For The Three Months Ended June 30,	
	2006	2005
Sales	\$18,155,812	\$17,501,842
Cost of sales	12,714,879	12,369,723
Gross profit	5,440,933	5,132,119
Selling, general and administrative expenses, net	4,793,206	4,368,437
Operating income	647,727	763,682
Other income	63,467	87,557
Interest expense, net; includes related party interest of \$25,765 in 2006 and \$22,721 in 2005	(336,240)	(250,029)
Income before income taxes	374,954	601,210
Income tax expense	33,121	81,028
Net income	\$ 341,833	\$ 520,182
	=====	=====
Income per common share:		
Basic	\$ 0.07	\$ 0.12
	=====	=====
Diluted	\$ 0.06	\$ 0.10
	=====	=====
Weighted average shares outstanding:		
Basic	4,579,846	4,185,505
	=====	=====
Diluted	5,302,026	5,287,577
	=====	=====

COLONIAL COMMERCIAL CORP. AND SUBSIDIARIES
Condensed Consolidated Statements of Operations
(Unaudited)

	For The Six Months Ended June 30,	
	2006	2005
Sales	\$33,040,025	\$30,849,161
Cost of sales	23,012,325	21,463,971
Gross profit	10,027,700	9,385,190
Selling, general and administrative expenses, net	9,550,068	8,619,062
Operating income	477,632	766,128
Other income	129,256	149,435
Interest expense, net; includes related party interest of \$51,393 in 2006 and \$44,541 in 2005	(635,902)	(493,590)
(Loss) income before income taxes	(29,014)	421,973
Income tax expense	52,242	100,724
Net (loss) income	\$ (81,256)	\$ 321,249
(Loss) income per common share:		
Basic	\$ (0.02)	\$ 0.08
Diluted	\$ (0.02)	\$ 0.06
Weighted average shares outstanding:		
Basic	4,578,606	4,175,422
Diluted	4,578,606	5,287,377

</TEXT>
</DOCUMENT>