

SPIN-OFF OF THE GABELLI UTILITY TRUST

IMPORTANT TAX INFORMATION

FOR IMMEDIATE RELEASE
Rye, NY
July 14, 1999
NYSE - GUT

For information:
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The Gabelli Equity Trust Inc. declared a distribution of shares of The Gabelli Utility Trust at the rate of one share of the Utility Trust for every ten Equity Trust shares owned, with a Record Date of July 1, 1999 and Payable Date of July 9, 1999.

The initial cost basis for the shares of The Gabelli Utility Trust received as a spin-off from the Equity Trust on July 9, 1999, is \$9.8125 per share, the fair market value on the distribution date, determined by averaging the high and low NYSE trading prices on the distribution date. The holding period for the Utility Trust begins on July 12, 1999.

For tax purposes, the spin-off is initially treated as a non-taxable distribution from the Equity Trust. A portion of the Equity Trust's net investment income and capital gains will be allocated to the spin-off. The actual determination of the source of the distribution for tax purposes will depend on the 1999 annual earnings of the Equity Trust, which can only be made at year-end. All shareholders will receive written notification regarding the components and tax treatment of all distributions for the calendar year in early 2000 via Form 1099-DIV.