

ATTENTION: IMPORTANT TAX INFORMATION!
2004 DISTRIBUTION BREAKDOWN
5.875% Cumulative Preferred Shares

To All Shareholders:

Set forth below is the allocation of net investment income, short-term capital gains and long-term capital gains for the 2004 distributions of the 5.875% Series D Cumulative Preferred Shares of **The Gabelli Equity Trust Inc.**

If there are any questions, please contact Carter Austin at (914) 921-5070.

		\$ PER SHARE				
		1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL
Record Date		03/19/04	06/21/04	09/20/04	12/17/04	
Payment Date		03/26/04	06/28/04	09/27/04	12/27/04	
SOURCE						
Net Investment Income (a)		\$0.008856	\$0.008856	\$0.008856	\$0.008856	\$0.035424
Short-Term Capital Gains (a)		\$0.022897	\$0.022897	\$0.022897	\$0.022897	\$0.091588
Long-Term Capital Gains (b)		\$0.335435	\$0.335435	\$0.335435	\$0.335435	\$1.341740
TOTAL		\$0.367188	\$0.367188	\$0.367188	\$0.367188	\$1.468752

		PERCENTAGES				
		1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL
SOURCE						
Net Investment Income (a)		2.4117%	2.4117%	2.4117%	2.4117%	2.4117%
Short-Term Capital Gains (a)		6.2358%	6.2358%	6.2358%	6.2358%	6.2358%
Long-Term Capital Gains (b)		91.3525%	91.3525%	91.3525%	91.3525%	91.3525%
TOTAL		100.0000%	100.0000%	100.0000%	100.0000%	100.0000%

Ordinary Dividends and Capital Gains:

100% of the ordinary income (net investment income and short-term capital gains) paid by the Gabelli Equity Trust in 2004 was classified as "Qualified Dividends" subject to a maximum Federal tax rate of 15% for individual taxable accounts (or 5% depending on an individual's tax bracket). Ordinary income is reported in box 1a and qualified income is reported in box 1b of Form 1099-DIV. Capital gain distributions are subject to a maximum Federal tax rate of 15% for individual taxable accounts (or 5% depending on an individual's tax bracket). Capital gain distributions are reported in box 2a of Form 1099-DIV.

Corporate Dividends Received Deduction and U.S. Government Securities Income:

The percentage of the ordinary income paid by the Gabelli Equity Trust in 2004 that qualifies for the dividends received deduction available to corporations is 100%. The percentage of the ordinary income paid by the Gabelli Equity Trust in 2004 that was derived from U.S. Government Securities was 5.14%. The percentage of U.S. Government Securities held as of December 31, 2004 was 0.09%. (c)

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- (a) Distributions from net investment income and short-term capital gains are taxable as ordinary income and will appear on your Form 1099-DIV under Ordinary Dividends in box 1a.
 - (b) Taxable as long-term capital gains reportable in column (f), line 13 on Form 1040, Schedule D. Since there were no retained capital gains in 2004, Form 2439 will not be necessary.
 - (c) Certain states require that 50% of the Fund's portfolio be invested in U.S. Government Securities at the end of each calendar quarter to allow "pass-through" treatment of income derived from U.S. Government Securities. The Trust did not meet this strict requirement in 2004.