

ATTENTION: IMPORTANT TAX INFORMATION!
2005 DISTRIBUTION ALLOCATIONS
7.20% Tax Advantaged 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 2005 distributions of the 7.20% Series B Cumulative Preferred Shares of **The Gabelli Equity Trust Inc.**

Please contact Carter Austin at (914) 921-5070 with any inquiries.

		\$ PER SHARE				
		1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL
	Record Date	03/18/05	06/20/05	09/19/05	12/19/05	
	Payment Date	03/28/05	06/27/05	09/26/05	12/27/05	
SOURCE						
	Net Investment Income (a)	\$0.0583	\$0.0394	\$0.0394	\$0.0394	\$0.1765
	Short-Term Capital Gains (a)	\$0.0035	\$0.0036	\$0.0036	\$0.0036	\$0.0143
	Long-Term Capital Gains (b)	\$0.3882	\$0.4070	\$0.4070	\$0.4070	\$1.6092
	TOTAL	\$0.4500	\$0.4500	\$0.4500	\$0.4500	\$1.8000

		PERCENTAGES				
		1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL
SOURCE						
	Net Investment Income (a)	12.9555%	8.7606%	8.7606%	8.7606%	9.8056%
	Short-Term Capital Gains (a)	0.7778%	0.8052%	0.8052%	0.8052%	0.7944%
	Long-Term Capital Gains (b)	86.2667%	90.4342%	90.4342%	90.4342%	89.4000%
	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 2005 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 2005 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 2005 that was derived from U.S. Government Securities was 0.00%. The percentage of U.S. Government Securities held as of December 31, 2005 was 4.09%. (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 Form 1099-DIV under Total 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 2005, 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 2005.