

The Gabelli Dividend & Income Trust

CUSIP # 36242H104

ATTENTION: IMPORTANT TAX INFORMATION! 2006 DISTRIBUTION ALLOCATIONS Common Shares

Set forth below is the allocation of net investment income, short-term capital gains, and long-term capital gains for the 2006 distributions of the Common Shares of **The Gabelli Dividend & Income Trust**.

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

\$ PER SHARE

	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JUL.	AUG.	SEP.	OCT.	NOV.	DEC. 13	DEC. 29	TOTAL
Record Date	01/17/06	02/13/06	03/17/06	04/13/06	05/16/06	06/16/06	07/17/06	08/17/06	09/15/06	10/17/06	11/15/06	12/13/06	12/29/06	
Payment Date	01/25/06	02/22/06	03/27/06	04/24/06	05/24/06	06/26/06	07/25/06	08/25/06	09/25/06	10/25/06	11/24/06	12/18/06	01/08/07	
SOURCE														
Net Investment Income (a)	\$0.03962	\$0.03947	\$0.03947	\$0.03947	\$0.03947	\$0.03947	\$0.03947	\$0.03947	\$0.03947	\$0.03947	\$0.03947	\$0.13814	\$0.03552	\$0.60798
Short-Term Capital Gains (a)	\$0.01719	\$0.01553	\$0.01553	\$0.01553	\$0.01553	\$0.01553	\$0.01553	\$0.01553	\$0.01553	\$0.01553	\$0.01553	\$0.05435	\$0.01398	\$0.24082
Long-Term Capital Gains (b)	\$0.04319	\$0.04500	\$0.04500	\$0.04500	\$0.04500	\$0.04500	\$0.04500	\$0.04500	\$0.04500	\$0.04500	\$0.04500	\$0.15751	\$0.04050	\$0.69120
TOTAL	\$0.10000	\$0.10000	\$0.10000	\$0.10000	\$0.10000	\$0.10000	\$0.10000	\$0.10000	\$0.10000	\$0.10000	\$0.10000	\$0.35000	\$0.09000	\$1.54000

PERCENTAGES

	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JUL.	AUG.	SEP.	OCT.	NOV.	DEC. 13	DEC. 29	TOTAL
SOURCE														
Net Investment Income (a)	39.6200%	39.4700%	39.4700%	39.4700%	39.4700%	39.4700%	39.4700%	39.4700%	39.4700%	39.4700%	39.4700%	39.4686%	39.4667%	39.4792%
Short-Term Capital Gains (a)	17.1900%	15.5300%	15.5300%	15.5300%	15.5300%	15.5300%	15.5300%	15.5300%	15.5300%	15.5300%	15.5300%	15.5286%	15.5333%	15.6377%
Long-Term Capital Gains (b)	43.1900%	45.0000%	45.0000%	45.0000%	45.0000%	45.0000%	45.0000%	45.0000%	45.0000%	45.0000%	45.0000%	45.0028%	45.0000%	44.8831%
TOTAL	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%

Ordinary Dividends and Capital Gains:

93.67% of the ordinary income (net investment income and short-term capital gains) paid by the Gabelli Dividend & Income Trust in 2006 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 Dividend & Income Trust in 2006 that qualifies for the dividends received deduction available to corporations is 65.79%. The percentage of the ordinary income paid by the Gabelli Dividend & Income Trust in 2006 that was derived from U.S. Government Securities was 4.79%. The percentage of U.S. Government Securities held as of December 31, 2006 was 2.89%. (c)

- (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 2006, 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 Fund did not meet this strict requirement in 2006.