

**ATTENTION: IMPORTANT TAX INFORMATION!**  
**2007 DISTRIBUTION ALLOCATIONS**  
**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 2007 distributions of the 5.875% Series D Cumulative Preferred Shares of **The Gabelli Equity Trust Inc.**

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

		<b>\$ PER SHARE</b>				
		1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL
	Record Date	03/19/07	06/19/07	09/19/07	12/18/07	
	Payment Date	03/26/07	06/26/07	09/26/07	12/26/07	
<b>SOURCE</b>						
	Net Investment Income (a)	\$0.0579011	\$0.0543526	\$0.0543526	\$0.0543526	\$0.2209589
	Short-Term Capital Gains (a)	\$0.0282454	\$0.0288306	\$0.0288306	\$0.0288306	\$0.1147372
	Long-Term Capital Gains (b)	\$0.2810410	\$0.2840043	\$0.2840043	\$0.2840043	\$1.1330539
	<b>TOTAL</b>	<b>\$0.3671875</b>	<b>\$0.3671875</b>	<b>\$0.3671875</b>	<b>\$0.3671875</b>	<b>\$1.4687500</b>

		<b>PERCENTAGES</b>				
		1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL
	Net Investment Income (a)	15.7688%	14.8024%	14.8024%	14.8024%	15.0440%
	Short-Term Capital Gains (a)	7.6924%	7.8517%	7.8517%	7.8517%	7.8119%
	Long-Term Capital Gains (b)	76.5388%	77.3459%	77.3459%	77.3459%	77.1441%
	<b>TOTAL</b>	<b>100.0000%</b>	<b>100.0000%</b>	<b>100.0000%</b>	<b>100.0000%</b>	<b>100.0000%</b>

Ordinary Dividends and Capital Gains:

100% of the ordinary income (net investment income and short-term capital gains) paid by the Fund in 2007 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 Fund in 2007 that qualifies for the dividends received deduction available to corporations is 75.79%. The percentage of the ordinary income paid by the Fund in 2007 that was derived from U.S. Government Securities was 0.12%. The percentage of U.S. Government Securities held by the Fund as of December 31, 2007 was 6.06%. (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 2007, 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 2007.