

# The Gabelli Dividend & Income Trust

CUSIP # 36242H203

## 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 A Cumulative Preferred Shares of **The Gabelli Dividend & Income Trust**.

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

### \$ PER SHARE

	1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL
Record Date	03/19/07	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)	\$0.1662306	\$0.0947860	\$0.0947860	\$0.0947860	\$0.4505886
Short-Term Capital Gains (a)	\$0.0389264	\$0.0562770	\$0.0562770	\$0.0562770	\$0.2077574
Long-Term Capital Gains (b)	\$0.1620305	\$0.2161245	\$0.2161245	\$0.2161245	\$0.8104040
<b>TOTAL</b>	<b>\$0.3671875</b>	<b>\$0.3671875</b>	<b>\$0.3671875</b>	<b>\$0.3671875</b>	<b>\$1.4687500</b>

### PERCENTAGES

	1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL
<b>SOURCE</b>					
Net Investment Income (a)	45.2713%	25.8141%	25.8141%	25.8141%	30.6784%
Short-Term Capital Gains (a)	10.6012%	15.3265%	15.3265%	15.3265%	14.1452%
Long-Term Capital Gains (b)	44.1275%	58.8594%	58.8594%	58.8594%	55.1764%
<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:

93.51% 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 75.99%. The percentage of the ordinary income paid by the Fund in 2007 that was derived from U.S. Government Securities was 0.44%. The percentage of U.S. Government Securities held by the Fund as of December 31, 2007 was 6.90%. (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.