

GENERAL AMERICAN INVESTORS COMPANY, INC.

100 PARK AVENUE · NEW YORK · N.Y. 10017 · (212)916-8400

January 17, 2008

**FEDERAL INCOME TAX INFORMATION
Regarding Dividends and Distributions Paid and Taxable in 2007***To the Common and Preferred Stockholders:*

Dividends and distributions paid and taxable during 2007 by General American Investors Company, Inc. on shares of its Common and Preferred Stock should be reported for Federal income tax purposes as follows:

<u>Record Date</u>	<u>Payment Date</u>	<u>Total</u>	<u>Amount Per Share</u>		
			<u>Ordinary Dividends (a)</u>	<u>Qualified Dividends (a)/(b)</u>	<u>Capital Gain Distributions (c)</u>
<i>Common Stock:</i>					
November 16, 2007	December 27, 2007	\$5.750000	\$0.009262	\$0.700213	\$5.040525
<i>Preferred Stock:</i>					
March 7, 2007	March 26, 2007	\$0.371875	\$0.000599	\$0.045286	\$0.325990
June 7, 2007	June 25, 2007	\$0.371875	\$0.000599	\$0.045286	\$0.325990
September 7, 2007	September 24, 2007	\$0.371875	\$0.000599	\$0.045286	\$0.325990
December 7, 2007	December 24, 2007	\$0.371875	\$0.000599	\$0.045286	\$0.325990

- (a) The total of Ordinary Dividends and Qualified Dividends are included in Box 1a of Form 1099-DIV.
- (b) A subset of Ordinary Dividends. Box 1b of form 1099-DIV.
- (c) Designated as a "Capital Gain Dividend." Box 2a of Form 1099-DIV.

The Ordinary Dividends paid to Preferred Stockholders during 2007 and to Common Stockholders on December 27, 2007 qualify to the extent of 53.9% for the dividend received deduction allowed corporations.

Dividends and distributions paid on shares of Common Stock are taxable as indicated above whether the stockholder chose to receive them in additional shares of stock or in cash. For stockholders who received additional shares in payment of the December distribution, the cost basis is \$35.27 per share and the holding period for such stock began on December 27, 2007.

We are not permitted to provide tax advice. For further assistance, we suggest that you contact your tax adviser.

During 2007, the Company made no investment in direct obligations of the U.S. Government.

WE SUGGEST THAT YOU KEEP THIS NOTICE AND THE ACCOMPANYING FORM 1099-DIV FOR USE IN PREPARING YOUR FEDERAL TAX RETURN FOR 2007.

DIANE G. RADOSTI
Treasurer