

GENERAL AMERICAN INVESTORS COMPANY, INC.

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

January 22, 2010

**FEDERAL INCOME TAX INFORMATION
Regarding Dividends and Distributions Paid in 2009***To the Common and Preferred Stockholders:*

Dividends and distributions paid during 2009 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 (b)</u>	<u>Capital Gain Distributions (c)</u>	<u>Non-Taxable Non-Dividend Distributions (d)</u>
<u>Common Stock:</u>						
Nov. 13, 2009	Dec. 28, 2009	\$0.350000	\$0.153697	\$0.153697	\$0.186135	\$0.010168
<u>Preferred Stock:</u>						
Mar. 6, 2009	Mar. 24, 2009	\$0.371875	\$0.163303	\$0.163303	\$0.197768	\$0.010804
Jun. 8, 2009	Jun. 24, 2009	\$0.371875	\$0.163303	\$0.163303	\$0.197768	\$0.010804
Sep. 8, 2009	Sep. 24, 2009	\$0.371875	\$0.163303	\$0.163303	\$0.197768	\$0.010804
Dec. 7, 2009	Dec. 24, 2009	\$0.371875	\$0.163303	\$0.163303	\$0.197768	\$0.010804

- (a) The total of Ordinary Dividends, including Qualified Dividends, are included in Box 1a of Form 1099-DIV.
 (b) A subset of Ordinary Dividends included in Box 1b of form 1099-DIV.
 (c) Designated as a "Capital Gain Dividend" and included in Box 2a of Form 1099-DIV.
 (d) A non-taxable return of capital is included in Box 3 of Form 1099-DIV.

The Ordinary Dividends paid to Preferred Stockholders during 2009 and to Common Stockholders on December 28, 2009 qualify to the extent of 56.6% for the dividends 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. The return of capital reported in Box 3 represents a return of cost basis. Your cost basis can be reduced by the amount reported. For stockholders who received additional shares in payment of the December distribution, the cost basis is \$22.86 per share and the holding period for such stock began on December 28, 2009.

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

During 2009, 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 2009.

DIANE G. RADOSTI
Treasurer