

GENERAL AMERICAN INVESTORS COMPANY, INC.

450 LEXINGTON AVENUE · NEW YORK · N.Y. 10017 · (212)916-8400

January 18, 2005

**FEDERAL INCOME TAX INFORMATION
Regarding Dividends Paid in 2004***To the Common and Preferred Stockholders:*

Dividends paid during 2004 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>Capital Gain Distributions (b)</u>
<u>Common Stock:</u>				
January 26, 2004	February 9, 2004	\$.11	\$.013	\$.097
November 12, 2004	December 23, 2004	\$.90	\$.215327	\$.684673
<u>Preferred Stock:</u>				
March 8, 2004	March 24, 2004	\$.371875	\$.083947	\$.287928
June 7, 2004	June 24, 2004	\$.371875	\$.083947	\$.287928
September 7, 2004	September 24, 2004	\$.371875	\$.083947	\$.287928
December 7, 2004	December 27, 2004	\$.371875	\$.083947	\$.287928

- (a) Qualified dividends.
(b Designated as a "Capital Gain Dividend."
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Under the Internal Revenue Code, the Ordinary Dividend paid to Common Stockholders on February 9, 2004 qualifies to the extent of 64.9% for the dividend received deduction allowed *corporations*. All other Ordinary Dividends paid during 2004 qualify to the extent of 80.5% for the dividend received deduction allowed *corporations*.

During 2004, 0.6% of the Company's income was derived from interest received on U.S. Government obligations.

Dividends 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 dividends, the cost basis is \$31.015 per share and the holding period for such stock began on December 23, 2004.

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

WE SUGGEST THAT YOU KEEP THIS NOTICE AND THE ACCOMPANYING FORM 1099-DIV FOR USE IN PREPARING YOUR FEDERAL TAX RETURN FOR 2004.

DIANE G. RADOSTI
Treasurer