

GENERAL AMERICAN INVESTORS COMPANY, INC.

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

January 17, 2017

**FEDERAL INCOME TAX INFORMATION
Regarding Dividends and Distributions For 2016***To the Common and Preferred Stockholders:*

Dividends and distributions paid for 2016 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>Taxable as:</u>		
			<u>Ordinary Dividends (a)</u>	<u>Qualified Dividends (b)</u>	<u>Capital Gain Distributions (c)</u>
<i>Common Stock:</i>					
February 1, 2016	February 12, 2016	\$0.100000	\$0.051500	\$0.051500	\$0.048500
November 14, 2016	December 30, 2016	\$3.080000	\$0.282605	\$0.282605	\$2.797395
<i>Preferred Stock:</i>					
March 7, 2016	March 24, 2016	\$0.371875	\$0.034185	\$0.034185	\$0.337690
June 7, 2016	June 24, 2016	\$0.371875	\$0.034185	\$0.034185	\$0.337690
September 7, 2016	September 26, 2016	\$0.371875	\$0.034185	\$0.034185	\$0.337690
December 7, 2016	December 27, 2016	\$0.371875	\$0.034185	\$0.034185	\$0.337690

- (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.

The Ordinary Dividends paid to Preferred Stockholders during 2016 and to Common Stockholders on December 30, 2016 qualify to the extent of 70.3% 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. For stockholders who received additional shares in payment of the December distribution, the cost basis is \$31.375 per share and the holding period for such stock began on December 30, 2016.

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

During 2016, 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 2016.

DIANE G. RADOSTI
Treasurer