

FOR IMMEDIATE RELEASE

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**ALLIANCEBERNSTEIN NATIONAL MUNICIPAL INCOME FUND, INC.,
ALLIANCE NEW YORK MUNICIPAL INCOME FUND, INC., and
ALLIANCE CALIFORNIA MUNICIPAL INCOME FUND, INC.
ANNOUNCE PLANS FOR PARTIAL REDEMPTIONS
OF AUCTION PREFERRED SHARES**

NEW YORK, NY May 19, 2008. AllianceBernstein National Municipal Income Fund, Inc. (“ANMIF”; NYSE:AFB), Alliance New York Municipal Income Fund, Inc. (“ANYMIF”; NYSE:AYN) and Alliance California Municipal Income Fund, Inc. (“ACMIF”; NYSE:AKP), each a registered closed-end investment company (the “Funds”), announced today that they intend to use alternative financing to redeem approximately \$39,600,000, \$4,200,000 and \$4,200,000, respectively, of their outstanding Auction Preferred Shares (“Preferred Shares”) at a redemption price of \$25,000 per share, plus accumulated but unpaid dividends. Each of ANMIF, ANYMIF and ACMIF plans to redeem, respectively, approximately 13.9%, 9.3% and 5.2% of their outstanding Preferred Shares. The partial redemptions will be made on a pro rata basis.

The Funds intend to finance the partial redemptions through the use of tender option bond (“TOBs”) transactions in which a Fund sells a highly rated municipal bond, which is deposited into a trust, usually sponsored by a broker-dealer, in exchange for cash and a residual interest security, referred to as an “inverse floater”, issued by the trust. The trust also issues securities, referred to as “floaters”, that pay an interest rate that is reset each week based on an index of high-grade short-term seven-day demand notes. The floaters are bought by third parties, including tax-exempt money market funds. The floaters can be tendered by these holders to a liquidity provider, which will be a major financial institution, at par, unless certain events occur. The Fund continues to earn all of the interest from the transferred bond less the amount of interest paid to the floater holders and costs and ongoing fees of the transaction. The Fund will use the cash received from the sale of bonds in the TOB transactions as new financing to redeem a portion of the Preferred Shares. The Funds currently expect that the TOB transactions will reduce their costs of leverage.

The redemption of the Preferred Shares is subject to certain notice and other requirements and the condition that the financing of the redemption price of the Preferred Shares through the use of TOB transactions be completed. The Funds intend to redeem the Preferred Shares on a redemption date that is two days before the next dividend payment date for each series of the Preferred Shares according to the following schedule:

<u>FUND</u>	<u>REDEMPTION DATE</u>
ANMIF	
– Series M	June 13, 2008
– Series T	June 9, 2008
– Series W	June 10, 2008

– Series TH	June 11, 2008
ANYMIF	
– Series M	June 13, 2008
– Series T	June 9, 2008
ACMIF	
– Series M	June 13, 2008
– Series T	June 9, 2008

Because of constraints in the availability of bonds suitable for TOBs and other considerations, the Funds are redeeming only a part of their Preferred Shares at this time. The Funds intend to pursue TOB transactions opportunistically and are not required to redeem any Preferred Shares. The Funds will continue to rely on the Preferred Shares for a portion of their leverage exposure and may pursue other liquidity solutions for the Preferred Shares.