

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 BOARD APPROVAL OF
OPTIONAL PARTIAL REDEMPTIONS OF AUCTION PREFERRED SHARES

NEW YORK, NY April 11, 2008. Today, the Board of Directors of each of AllianceBernstein National Municipal Income Fund, Inc. (NYSE:AFB), Alliance New York Municipal Income Fund, Inc. (NYSE:AYN) and Alliance California Municipal Income Fund, Inc. (NYSE:AKP) , each a registered closed-end investment company (the “Funds”), approved the optional redemptions by each of the Funds of a portion of the shares of one or more series of each Fund’s outstanding Auction Preferred Shares subject to market conditions and availability of more attractive alternative sources of leverage as determined from time to time. The Board of Directors believes that it is appropriate to diversify the Funds’ leverage sources, if possible, in light of recent failed auctions for the Auction Preferred Shares, which have resulted in increased leverage costs for the Funds. The Funds will continue to rely on the Auction Preferred Shares for all or a portion of their leverage exposure, until further notice. The Funds may use tender option bond transactions, described below, as a leverage alternative. The Funds intend to pursue tender option bond transactions opportunistically and are not required to redeem any Auction Preferred Shares. Through the use of these transactions, if utilized, the Funds’ Adviser, AllianceBernstein L.P., will seek to reduce the Funds’ cost of leverage. The Board will continue to closely monitor developments in the market for auction rate preferred shares, including proposals intended to address liquidity issues.

In a tender option bond transaction, a Fund transfers a highly rated municipal bond to a trust, usually sponsored by a broker-dealer, and receives cash and a residual interest security (sometimes referred to as an “inverse floater”) issued by the trust in return. The trust simultaneously issues securities, which pay an interest rate that is reset each week based on an index of high-grade short-term seven-day demand notes. These securities, sometimes referred to as “floaters”, are bought by third parties and can be tendered by these holders to a liquidity provider, at par, unless certain events occur. The Fund continues to earn all the interest from the transferred bond less the amount of interest paid to the holders of the floaters and fees of the transaction. The Fund also uses the cash received from the transaction for investment purposes. Under certain circumstances, the trust may be terminated, either by the Fund or upon the occurrence of certain events, such as a downgrade in the credit quality of the underlying bond.

Tender option bond transactions may be structured with one or more municipal bonds. The Funds currently intend to use tender option bond transactions structured from single bonds. The successful use of tender option bond transactions depends on the availability of high-quality municipal bonds to be transferred to the trust and the market demand for the short-term floaters issued by the trust.

The Funds may also purchase inverse floaters from a tender option bond trust in a secondary market transaction without first owning the underlying bond. The income received from an inverse floater varies inversely with the short-term interest rate paid on the floaters issued by the trusts. The prices of inverse floaters are subject to greater volatility.

Tender option bonds involve leverage risk, which is substantially similar to the leverage risk associated with the Funds' Auction Preferred Shares. Investments in inverse floaters may amplify the risks of leverage. Fluctuations in interest rates may affect returns to the Funds' common stockholders. If short-term interest rates rise, the interest payable on the floaters would increase and income from the inverse floaters decrease resulting in decreased amounts of income available for distribution to common stockholders. A decline in distributions would adversely affect the Funds' yield and possibly the market value of their outstanding shares of common stock.

The Adviser recommended having the ability to partially redeem the Auction Preferred Shares and the use of alternative financing through tender option bond transactions based on its belief that the tender option bond transactions offer the Funds an opportunity to diversify their financing alternatives under current uncertain market conditions and seek to reduce the cost of leverage.

If a Fund determines to redeem a portion of a series of Auction Preferred Shares, the redemption will be pro rata and the redemption price will be \$25,000 per share plus accumulated but unpaid dividends. Beneficial owners of a series of Auction Preferred Shares subject to redemption will be sent a notice of redemption not less than 20 days or more than 45 days prior to the redemption date set by the officers of the Fund.

QUESTIONS AND ANSWERS

What does optional partial redemption mean?

The Board of Directors of the Funds has approved the optional retirement of some of the Auction Preferred Shares subject to market conditions. This does not necessarily mean that the Auction Preferred Shares will be redeemed. Partial redemption refers to the redemption of a portion of the Auction Preferred Shares and not the entirety of the outstanding shares.

Will you redeem them on a schedule? When will this begin?

Any redemptions of the Auction Preferred Shares will be dictated by market conditions. No specific time frame has been put in place for the redemption of the Auction Preferred Shares.

If it is a partial redemption, how will I know if a portion of my Auction Preferred Shares will be redeemed?

You will be sent a notice of redemption not less than 20 days or more than 45 days prior to the date of the partial redemption. The notice of redemption will state the amount of your shares that will be redeemed.

Why not redeem all of the Auction Preferred Shares?

In the current uncertain market environment, the Adviser and the Boards believe that diversifying the Funds' sources of leverage, and permitting at least some Auction Preferred Shares to remain outstanding, is a prudent strategy. We will redeem the Auction Preferred Shares to the extent alternative leverage opportunities become available.

The release only references your closed-end municipal funds. What about your equity and taxable closed-end funds?

AllianceBernstein does not manage any equity or taxable closed-end funds that utilize auction rate preferred as a source of leverage.