

February 2009

For Shareholders of AllianceBernstein Municipal Income Fund—National Portfolio II

The Board of Directors of AllianceBernstein Municipal Income Fund—National Portfolio II (“National Portfolio II”) has approved our recommendation for AllianceBernstein Municipal Income Fund—National Portfolio (“National Portfolio”) to acquire National Portfolio II.

This change reflects our ongoing effort to meet shareholders’ needs effectively by evaluating our family of funds relative to the evolving market landscape. Based on our most recent research, we’ve concluded that the acquisition of National Portfolio II by National Portfolio will improve our ability to pursue attractive investment opportunities in the most efficient manner for our shareholders.

Why are you combining National Portfolio and National Portfolio II?

- National Portfolio and National Portfolio II have the same investment objective—to earn the highest level of current income, exempt from Federal taxation. Each Portfolio pursues its objective by investing principally in high-yielding, predominantly investment grade, municipal securities.
- There is only one difference between the two portfolios investment guidelines—National Portfolio may invest in securities subject to the alternative minimum tax (“AMT”) without limit, while National Portfolio II invests principally in securities exempt from the AMT.

What are the key benefits of this change?

- Following the acquisition of the relatively small National Portfolio II by the larger National Portfolio, current National Portfolio II shareholders will benefit from lower expenses. The table below shows the current expense ratios for National Portfolio II and the pro forma expense ratios if National Portfolio II were combined with National. Additionally, the shareholders of AllianceBernstein Municipal Income Fund II—Florida Portfolio, which effectively has the same investment objective as National Portfolio, are being asked to approve the acquisition of that Portfolio by National Portfolio. Also included in the table below are the pro forma expense ratios for National Portfolio assuming both acquisitions are completed.

Expense Ratio—Class A

	Class A Gross Expense Ratio	Class A Net Expense Ratio (reflects expense cap)
National Portfolio II	1.06%	1.04%
National Portfolio II w/National Portfolio (pro forma)	0.89	0.75
National II w/National and Florida (pro forma)	0.87	0.75

Investment Products Offered • Are Not FDIC Insured • May Lose Value • Are Not Bank Guaranteed

Will I now have to pay AMT because of the changes to National Portfolio II?

The combined fund may generate income that is subject to the AMT. However, we believe National Portfolio’s larger opportunity set and lower expense ratio offer shareholders an attractive, well-diversified portfolio. As such we believe the merger remains a compelling proposition for shareholders.

If you aren’t currently subject to the AMT, the income from your municipal bond investments probably won’t be enough to push you into AMT territory—other factors usually play a much bigger part in determining your AMT liability. But as always, you should work with your tax and financial advisors to determine the potential impact of the AMT.

Will the proposed acquisition require a shareholder vote?

Yes, the proposed acquisition will require a shareholder vote.

Is the portfolio management team for National Portfolio the same as National Portfolio II?

Yes. Both Funds share the same portfolio management team: the Municipal Bond Investments Group. We don’t anticipate any changes to the team as a result of the combination.

AllianceBernstein Municipal Investment Policy Group

Name	Title/Responsibilities	Years of Experience	Years at Firm
R.B. Davidson III	Senior Vice President, Director—Municipal Bonds	25	16
Michael Brooks	Senior Vice President, Portfolio Manager	36	17
Fred S. Cohen	Senior Vice President, Director—Municipal Bond Trading	29	23
Terrance T. Hults	Senior Vice President, Portfolio Manager	17	13
Average		27	17

As of February 1, 2009

Will merging the two funds impact my investment’s risk/return profile?

No. Both funds seek to earn the highest level of current income exempt from Federal taxation without taking undue risk.

Do the funds share the same benchmark?

Yes. The Barclays Capital Municipal Bond Index is the benchmark for both funds.

Are the funds in the same Lipper category?

Yes, both funds are in the Lipper General Muni Debt Funds category. We anticipate Lipper will continue to classify National Portfolio in its current category.

Does the combination require any repositioning of the portfolio of investments?

No. We don’t anticipate that the combination will require any material repositioning.

Will I incur any processing fees from this combination?

No. Shareholders won’t pay any special processing fees due to this combination.

Is this a taxable event?

No. Shareholders won’t recognize any capital gains or losses as a result of the combination.

Will there be any special distributions associated with the acquisition?

Any income and/or capital gain distributions (if necessary) from National Portfolio II would be made to its shareholders prior to the merger date.

What should I do with my share certificates?

Your outstanding share certificates for National Portfolio II will be null and void after the acquisition. You don't need to return the certificates, but we'll accept them if you mail them to:

AllianceBernstein Investor Services, Inc.
 P.O. Box 786003
 San Antonio, TX 78278-6003.

Will CUSIP numbers and stock symbols change?

National Portfolio will retain its current CUSIPs and ticker symbols:

CUSIPs and Ticker Symbols			
Fund	Class	CUSIP	Ticker Symbol
AllianceBernstein Municipal Income Fund National Portfolio	A	018642108	ALTHX
	B	018642702	ALTBX
	C	018642835	ALNCX
	Advisor	018642819	ALTVX

Timing

Acquisition by National Portfolio

When will the shareholder vote take place?

We've scheduled a shareholder meeting for May 21, 2009. If we don't obtain the required majority of shareholder votes by May 21, 2009, we'll likely adjourn the meeting for further solicitation and will reschedule the vote for a later date.

How will shareholders be notified of the upcoming vote?

We'll notify existing shareholders as of record date March 31, 2009, via a proxy statement on or about April 8, 2009. Only those shareholders owning shares in National Portfolio II as of the record date will be eligible to vote.

If approved, when would the acquisition take place?

To proceed with the acquisition, we must receive the required majority of shareholder votes. Once this is complete, the acquisition would take place as soon as practicable—most likely in June 2009.

You can find further Fund information on our website: www.alliancebernstein.com.

AllianceBernstein L.P. does not provide tax advice. In considering this message, you should discuss your individual circumstances with your tax advisor before making any decisions.

A Word About Risk

Price fluctuations in the Portfolio's securities may be caused by changes in the general level of interest rates or changes in bond credit quality ratings. Changes in interest rates have a greater effect on bonds with longer maturities than on those with shorter maturities. Please note, as interest rates rise, existing bond prices fall and can cause the value of your investment in the Portfolio to decline. Municipal income securities may realize gains; therefore, shareholders will incur a tax liability from time to time. Income may be subject to the alternative minimum tax. A municipal security could be downgraded or its issuer could default in payment of principal or interest. If applicable, for bonds that are issued at higher interest rates, the issuer may exercise its right to recall some or all of the outstanding bonds to investors prior to their maturity. While the Portfolio invests principally in bonds and other fixed-income securities, in order to achieve its investment objectives, the Portfolio may at times use certain types of investment derivatives, such as options, futures, forwards and swaps. These instruments involve risks different from, and in certain cases, greater than, the risks presented by more traditional investments. These risks are fully discussed in the Portfolio's prospectus.

An investor should consider the investment objectives, risks and charges and expenses of a fund carefully before investing. For a free copy of a fund's prospectus, which contains this and other information, visit our website at www.alliancebernstein.com or call AllianceBernstein Investments at 800.227.4618. Investors should read the prospectus carefully before investing.

AllianceBernstein Investments, Inc. is an affiliate of AllianceBernstein L.P., the manager of the funds, and a member of FINRA.

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