

# ALLIANCE GLOBAL INVESTOR SERVICES, INC. TAX BULLETIN 2005

## ALTERNATIVE MINIMUM TAX PERCENTAGES

The income dividends paid by the Portfolio listed below were 100% exempt from Federal income taxes. However, certain shareholders may be subject to the alternative minimum tax due to changes brought about by the Tax Reform Act of 1986. Under the Tax Reform Act, interest on tax-exempt "private activity" bonds (generally being bonds issued by state or local governments, where the proceeds of the bond issued are being used by private enterprises) issued after August 7, 1986 is treated as an item of tax preference for purposes of calculating the alternative minimum tax imposed on individuals and corporations.

The portion of total income distributed to shareholders that was derived from private activity bonds is as follows:

Fund Name	AMT Percentage
AllianceBernstein Institutional Reserves, Inc. – California Portfolio	15.62%
AllianceBernstein Institutional Reserves, Inc. – New York Portfolio	14.08%
AllianceBernstein Institutional Reserves, Inc. – Tax Free Portfolio	15.73%

## INCOME PERCENTAGES BY STATE

### AllianceBernstein Institutional Reserves, Inc.

The information below summarizes the percentage of exempt interest income received by various AllianceBernstein Institutional Reserves portfolios on a state-by-state basis. These percentages may be useful in completing your state tax return.

State	California Portfolio	New York Portfolio	Tax Free Portfolio	State	California Portfolio	New York Portfolio	Tax Free Portfolio
Alabama	0.00%	0.30%	3.20%	Montana	0.00%	0.00%	0.00%
Alaska	2.27%	2.15%	2.06%	Nebraska	0.00%	0.00%	0.00%
Arizona	0.00%	0.00%	0.70%	Nevada	0.00%	0.00%	1.44%
Arkansas	0.00%	0.00%	0.46%	New Hampshire	0.00%	0.00%	2.76%
California	95.01%	0.28%	7.02%	New Jersey	0.00%	0.00%	1.21%
Colorado	0.00%	0.00%	2.10%	New Mexico	0.00%	0.00%	0.17%
Connecticut	0.32%	0.91%	1.03%	New York	0.65%	92.42%	5.60%
Delaware	0.00%	0.00%	0.00%	North Carolina	0.00%	0.00%	1.93%
District of Columbia	0.00%	0.00%	0.00%	North Dakota	0.00%	0.00%	0.00%
Florida	0.00%	0.15%	3.59%	Ohio	0.00%	0.00%	5.04%
Georgia	0.00%	0.00%	5.04%	Oklahoma	0.00%	0.00%	0.77%
Hawaii	0.00%	0.00%	0.00%	Oregon	0.00%	0.00%	0.00%
Idaho	0.00%	0.00%	0.00%	Pennsylvania	0.00%	0.00%	1.16%
Illinois	0.00%	0.00%	3.21%	Puerto Rico	0.43%	2.75%	0.13%
Indiana	0.00%	0.75%	3.62%	Rhode Island	0.00%	0.00%	0.33%
Iowa	0.00%	0.00%	0.41%	South Carolina	0.00%	0.00%	3.61%
Kansas	0.00%	0.00%	1.48%	South Dakota	0.00%	0.00%	0.00%
Kentucky	0.00%	0.00%	5.55%	Tennessee	0.00%	0.00%	3.11%
Louisiana	0.00%	0.00%	3.55%	Texas	1.25%	0.23%	5.30%
Maine	0.00%	0.00%	0.91%	Utah	0.00%	0.00%	0.31%
Maryland	0.00%	0.00%	2.22%	Vermont	0.00%	0.00%	0.00%
Massachusetts	0.00%	0.06%	2.77%	Virginia	0.00%	0.00%	3.25%
Michigan	0.00%	0.00%	0.29%	Washington	0.00%	0.00%	3.59%
Minnesota	0.00%	0.00%	1.62%	West Virginia	0.00%	0.00%	0.00%
Mississippi	0.00%	0.00%	3.05%	Wisconsin	0.00%	0.00%	3.50%
Missouri	0.00%	0.00%	2.44%	Wyoming	0.07%	0.00%	0.47%
				Total Percentage	100.00%	100.00%	100.00%

Investment Products Offered:

Are Not FDIC Insured	May Lose Value	Are Not Bank Guaranteed
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Shareholders should consult their tax advisors as to the state and local tax status of the portfolio's income received.

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Some states and local municipalities allow taxpayers to exclude from their gross income calculation interest income dividends (but not capital gains distributions) derived from certain Federal obligations.

Included herein is a schedule which displays the source of the respective Portfolio's income dividends which may be of use to you depending on the tax law prescribed within your individual state or local taxing authority. The appropriate percentages should be applied to the dividends received by you.

## INCOME PERCENTAGES BY SECURITY TYPE

### AllianceBernstein Institutional Reserves, Inc.

	<b>Government Portfolio</b>	<b>Prime Portfolio</b>	<b>Treasury Portfolio</b>
Federal Farm Credit Bank	0.00%	0.00%	0.00%
Federal Home Loan Bank	10.54%	3.31%	0.00%
Federal Home Loan Mortgage Corporation	11.23%	0.00%	0.00%
Federal National Mortgage Association	11.55%	2.82%	0.00%
Non-Government Securities	0.00%	87.39%	0.85%
Other Government Agency	0.00%	0.00%	0.00%
Repurchase Agreements	66.68%	6.42%	0.00%
Student Loan Marketing Association	0.00%	0.00%	0.00%
U.S. Treasury	0.00%	0.06%	99.15%
Total Percentage	100.00%	100.00%	100.00%

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*This notice is furnished for informational purposes only. Please consult your tax advisor for further tax assistance.*