

Important Tax Information Regarding Alpine Funds 2009

Important Tax Information Regarding Alpine Funds Income By State or U.S. Territory:

The following chart provides information to assist you in determining the source of interest income earned on a state-by-state basis for the Alpine Ultra Short Tax Optimized Income Fund and the Alpine Municipal Money Market Fund. Of course, the tax treatment of income paid by the portfolio depends upon the laws of your state or local authority. If you have any questions about the local tax treatment, we recommend that you consult your tax advisor.

Note: For additional help in completing your state and local tax returns, please refer to your Alpine Family of Funds 2009 year-end statement that shows the non-taxable portion of your income.

2009 Mutual Fund Tax Guide

[\(Click on the title to access the guide.\)](#)

The guide may be useful in the preparation of your federal, state, and/or city tax returns.

State	Ultra Short Tax Optimized Income Fund	Municipal Money Market Fund	State	Ultra Short Tax Optimized Income Fund	Municipal Money Market Fund
Alabama	4.27%	1.04%	Montana	0.05%	0.05%
Alaska	0.00%	0.09%	Nebraska	0.00%	0.00%
Arizona	1.84%	0.14%	Nevada	0.91%	0.30%
Arkansas	0.51%	0.09%	New Hampshire	0.48%	0.35%
California	5.49%	2.51%	New Jersey	0.61%	0.09%
Colorado	1.30%	2.93%	New Mexico	0.23%	0.69%
Connecticut	0.99%	0.00%	New York	3.94%	4.50%
Delaware	0.28%	0.00%	North Carolina	3.46%	0.28%
Dist of Columbia	0.22%	0.15%	North Dakota	0.00%	0.06%
Florida	9.81%	26.92%	Ohio	2.98%	2.00%
Georgia	1.47%	0.76%	Oklahoma	0.36%	1.25%
Guam	0.00%	0.00%	Oregon	0.18%	1.44%
Hawaii	0.00%	0.00%	Pennsylvania	5.28%	3.58%
Idaho	0.35%	0.79%	Puerto Rico	2.40%	0.00%
Illinois	9.64%	7.56%	Rhode Island	0.00%	0.00%
Indiana	5.63%	2.64%	South Carolina	1.27%	0.34%
Iowa	0.04%	1.21%	South Dakota	0.01%	0.14%
Kansas	0.01%	0.61%	Tennessee	2.78%	3.59%
Kentucky	1.26%	0.71%	Texas	4.71%	8.35%
Louisiana	5.16%	0.65%	Utah	0.26%	0.00%
Maine	0.30%	0.00%	Vermont	1.27%	6.12%
Maryland	0.47%	0.00%	Virginia	0.05%	0.80%
Massachusetts	1.21%	0.25%	Washington	0.84%	5.04%
Michigan	9.23%	4.10%	West Virginia	0.82%	0.55%
Minnesota	0.41%	0.14%	Wisconsin	5.88%	1.93%
Mississippi	0.28%	0.41%	Wyoming	0.77%	0.36%
Missouri	0.28%	1.64%			



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U.S. Government Obligations Information

Enclosed is the **2009 tax form** for your account with the **Alpine Funds**. The form provides information on any applicable **2009 distributions** and proceeds from redemptions. Please note that all information contained in this Statement has been provided to the Internal Revenue Service. In addition to the tax information provided on your enclosed tax form, below is supplemental information to assist you with the preparation of your 2009 income tax returns. Please consult your tax advisor for the specific application of any items below relating to the preparation of your tax returns.

Income from U.S. Government Obligations

Some states do not tax their residents on income from a mutual fund that is earned from U.S. Government Obligations. The following table shows the percentage of total ordinary income dividends shown in Box 1 of your 2009 tax form that were attributable to interest earned from direct U.S. Government Obligations:

<u>Fund Name</u>	<u>% of Ordinary Income Attributable to Direct U.S. Govt. Obligation (see Box 1)</u>
Alpine Dynamic Balance Fund	35.04%
Alpine Emerging Markets Real Estate Fund	8.09%
Alpine Accelerating Dividend Fund	1.14%
Alpine Global Infrastructure Fund	0.36%
Alpine Dynamic Dividend Fund	0.01%
Alpine International Real Estate Equity Fund	0.00%
Alpine Municipal Money Market Fund	0.00%
Alpine Realty Income & Growth Fund	0.00%
Alpine Ultra Short Tax Optimized Income Fund	0.00%
Alpine Cyclical Advantage Property Fund	0.00%
Alpine Dynamic Financial Services Fund	N/A
Alpine Dynamic Innovators Fund	N/A
Alpine Dynamic Transformations Fund	N/A

Depending on your state's personal income tax laws, you may be entitled to declare the above portion of your 2009 ordinary income dividends (Box 1) as tax-exempt income on your state personal income tax return. However, some states do not allow the "pass through" of this exempt-interest income unless the percentage earned from U.S. Government Obligations exceeds certain thresholds or unless other requirements are met. Please consult your tax advisor or state authorities if you have any questions regarding the percentage of income you can exclude when calculating your state income tax.

Percentage of Income Subject to the Federal Alternative Minimum Tax (AMT)

Income subject to the Alternative Minimum Tax

Some of the income received from a mutual fund may be exempt from federal income tax, but subject to the Alternative Minimum Tax. The following table shows the percentage of total ordinary income dividends that was attributable to income earned from securities subject to the Alternative Minimum Tax:

<u>Fund Name</u>	<u>% of Income Attributable to Securities Subject to the AMT</u>
Alpine Municipal Money Market Fund	48.11%
Alpine Ultra Short Tax Optimized Income Fund	34.75%

Please consult your tax advisor if you have any questions regarding the percentage of income subject to the Alternative Minimum Tax.

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the fund may be lower or higher than performance quoted. Please click on [Performance](#) for standardized and month-end returns and 30-Day SEC yields.



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