Reaves Utility Income Fund (NYSE Amex: UTG)
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REAVES UTILITY INCOME FUND ANNOUNCES TAX INFORMATION

Denver, Colorado—The Reaves Utility Income Fund (NYSE Amex: UTG) today announced the final tax status for its 2009 distributions as follows:

			Total Ordinary Dividends			
Record Date	Payable Date	Amount per Share	Qualified	Non-Qualified	Long-Term Capital Gains	Return of Capital
02/13/09	02/27/09	$0.115	90.74%	9.26%	--	--
03/18/09	03/31/09	$0.115	90.74%	9.26%	--	--
04/17/09	04/30/09	$0.115	90.74%	9.26%	--	--
05/20/09	05/29/09	$0.115	90.74%	9.26%	--	--
06/19/09	06/30/09	$0.115	90.74%	9.26%	--	--
07/22/09	07/31/09	$0.115	90.74%	9.26%	--	--
08/19/09	08/31/09	$0.115	90.74%	9.26%	--	--
09/18/09	09/30/09	$0.115	90.74%	9.26%	--	--
10/21/09	10/30/09	$0.115	90.74%	9.26%	--	--
11/20/09	11/30/09	$0.115	90.74%	9.26%	--	--
12/18/09	12/31/09	$0.115	90.74%	9.26%	--	--
12/29/09	12/31/09	$0.065	90.74%	9.26%	--	--
12/31/09	01/19/10	$0.115	90.74%	9.26%	--	--

In addition, 84.49% of the dividends paid qualify for the corporate dividends received deduction.

The tax designations of the distributions were previously reported to shareholders on a tentative book basis. The final tax designations are based upon tax reporting requirements and should be used by shareholders for tax return preparation.

This notice is provided to you for informational purposes only, and should not be considered tax advice. Please consult your tax advisor for further assistance.

The Reaves Utility Income Fund
The investment objective of the Fund is to provide a high level of income and total return consisting primarily of tax-advantaged dividend income and capital appreciation. There were approximately $678 million of total assets under management and 22.7 million common shares outstanding as of December 31, 2009.

An investor should consider investment objectives, risks, charges and expenses carefully before investing. To obtain a prospectus which contains this and other information visit www.utilityincomefund.com or call 1-800-644-5571. Read the prospectus carefully before investing or sending money.

The Reaves Utility Income Fund is a closed-end fund and closed-end funds do not continuously issue shares for sale as open-end mutual funds do. Since the initial public offering, the Fund now trades in the secondary market. Investors wishing to buy or sell shares need to place orders through an intermediary or broker. The share price of a closed-end fund is based on the market s value.