

Kayne Anderson Energy Total Return Fund, Inc. - (CUSIP: 48660P104)

2008 Form 1099- DIV Dividends & Distributions Information

- Stockholders as of any of the record dates below should receive a 2008 Form 1099 – DIV.
- Although stockholders as of December 31, 2007, received the dividend/distribution of \$0.49 per share during January 2008, the dividend/distribution should not be included in 2008 Form 1099 – DIV and should have been included in 2007 Form 1099 - DIV.
- Although stockholders as of December 31, 2008, received the dividend/distribution of \$0.52 per share during January 2009, the dividend/distribution should be included in 2008 Form 1099 – DIV.
- Example 1: Stockholder X owns one share during the entire calendar year of 2008. Stockholder X received \$1.565 of dividends/distributions during the calendar year 2008. Stockholder X received \$0.52 of dividends/distributions during January 2009. Stockholder X should receive a 2008 Form 1099 – DIV including \$0.4114 of Ordinary Income (Box 1a), \$0.4114 of Qualified Dividends (Box 1b), and \$1.6736 of Non-dividend Distributions (Box 3).
- Example 2: Stockholder X purchased one share on December 1, 2008 (held the share as of the December 31 record date) and received \$0.52 during January 2009. Stockholder X should receive a 2008 Form 1099 – DIV including \$0.1026 of Ordinary Income (Box 1a), \$0.1026 of Qualified Dividends (Box 1b), and \$0.4174 of Non-dividend Distributions (Box 3).

Record Date	Ex-Dividend Date	Payable Date	Total Distribution Per Share	Year Included in Shareholders' Income			Box 1a Total	Box 1b Total
				2006	2007	2008	Ordinary Dividends	Qualified Dividends
4/3/2008	4/1/2008	4/11/2008	\$0.4950			\$0.4950	\$0.0977	\$0.0977
7/7/2008	7/2/2008	7/11/2008	\$0.5300			\$0.5300	\$0.1046	\$0.1046
10/3/2008	10/1/2008	10/10/2008	\$0.5400			\$0.5400	\$0.1065	\$0.1065
12/31/2008	12/29/2008	1/9/2009	\$0.5200			\$0.5200	\$0.1026	\$0.1026
			\$2.0850			\$2.0850	\$0.4114	\$0.4114

Record Date	Box 2a Total Capital Gain Distr.	Box 2b Unrecap Sec. 1250 Gain	Box 2c Section 1202 Gain	Box 2d Collectibles (28%) Gain	Box 3 Nondividend Distributions	Box 6 Foreign Tax Paid	Box 8 Cash Liquidation Distr	Box 9 Noncash Liquidation Distr	Exempt Interest Dividends
4/3/2008					\$0.3973				
7/7/2008					\$0.4254				
10/3/2008					\$0.4335				
12/31/2008					\$0.4174				
					\$1.6736				

- Dividends (Box 1a) are either Qualified Dividends or non-Qualified Dividends. To the extent that Ordinary Dividends (Box 1a) exceeds Qualified Dividends (Box 1b), the difference will be taxed at ordinary income tax rates.
- In addition to other requirements which designate dividends as Qualified Dividends, a stockholder must meet the holding period requirements. Generally, a stockholder must hold the stock for more than 60 days during the 121-day period that begins 60 before the ex-dividend date.
- Non-dividend Distributions (Box 3) are treated as a return of capital for tax purposes (i.e., not as taxable income) and reduce the cost basis of shares owned.