

ALLIANCEBERNSTEIN INCOME FUND INC
Form SC 13D
December 20, 2013

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549 SCHEDULE 13D
Under the Securities Exchange Act of 1934 AllianceBernstein Income Fund, Inc. (ACG)

(Name of Issuer) Common Stock

(Title of Class of Securities) 01881E101

(CUSIP Number) George W. Karpus, President
Karpus Management, Inc.,
d/b/a Karpus Investment Management
183 Sully's Trail
Pittsford, New York 14534
(585) 586-4680

**(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)** December 20, 2013

Edgar Filing: ALLIANCEBERNSTEIN INCOME FUND INC - Form SC 13D

(Date of Event which Requires Filing of this Statement) If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. 127

CUSIP No. 01881E101

1. Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only). Karpus Management, Inc., d/b/a Karpus Investment Management I.D. #16-1290558

2. Check the Appropriate Box if a Member of a Group (See Instructions)

- (a) 127
(b) 32X
-

3. SEC Use Only

4. Source of Funds (See Instructions) AF

5. Check if Disclosure of Legal Proceedings Is Required Pursuant to Items 2(d) or 2(e) N/A

6. Citizenship or Place of Organization New York

Number of Shares Beneficially Owned by Each reporting Person With:

7. Sole Voting Power 11,548,588 **8. Shared Voting Power** N/A **9. Sole Dispositive Power** 11,548,588 **10. Shared Dispositive Power** N/A

11. Aggregate Amount Beneficially Owned by Each Reporting Person 11,548,588

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions) N/A

13. Percent of Class Represented by Amount in Row (11) 4.8%

14. Type of Reporting Person (See Instructions) IA

Item 1. Security and Issuer.

AllianceBernstein Income Fund, Inc.
 c/o AllianceBernstein Investments, Inc.
 1345 Avenue of the Americas

New York, New York 10105 **Item 2. Identity and Background.** (a) Karpus Management, Inc., d/b/a Karpus Investment Management (“KIM”). George W. Karpus is the President, Director and controlling stockholder of KIM. (b) The address of KIM’s principal place of business and principal office is: 183 Sully’s Trail, Pittsford, New York 14534. (c) Principal business and occupation - Investment management for individuals, pension plans, profit sharing plans, corporations, endowments, trusts and others. (d) None of the Principals or KIM has been convicted in the past 5 years of any criminal proceeding (excluding traffic violations). (e) During the last 5 years none of the Principals or KIM has been a party to a civil proceeding as a result of which any of them is subject to a judgment, decree, or final order enjoining future violations of or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws. (f) Each of the Principals is a United States citizen. KIM is a New York corporation. **Item 3. Source and Amount of Funds or Other Considerations.** 11,548,588 shares of AllianceBernstein Income Fund, Inc. on behalf of accounts that are managed by KIM (the “Accounts”) under limited powers of attorney, which represents 4.8% of the outstanding shares. All funds that have been utilized in making such purchases are from such Accounts. **Item 4. Purpose of Transaction.** KIM has purchased Shares for the Accounts for investment purposes. However, KIM reserves the right to contact management with regard to concerns that they have with respect to the Fund. This may include letters to the Board and/or other communications with Fund management. Being an independent registered investment advisor, with a specialty focus in closed-end funds, the profile of AllianceBernstein Income Fund, Inc. fits the investment guidelines for various Accounts. Shares have been acquired since February 5, 2010. **Item 5. Interest in Securities of the Issuer.** (a) As of the date of this Report, KIM represents beneficial ownership of 11,548,588 shares or 4.8% of the outstanding shares. George W. Karpus presently owns 837 shares Dana R. Conslor presently owns 300 shares. Kathleen F. Crane presently owns 25 shares. Karpus Investment Management Defined Benefit Plan presently owns 5,000 shares. Karpus Investment Management Profit Sharing Plan presently owns 6,900 shares. None of the other principals of KIM presently own shares of AllianceBernstein Income Fund, Inc. (b) KIM has the sole power to dispose of and to vote all of such Shares under limited powers of attorney. (c) Open market transactions for the last 60 days for the Accounts. There have been no dispositions and no acquisitions, other than by such open market transactions:

Date Shares Price Per Share

10/18/2013	13,800	\$7.07
10/18/2013	(850)	\$7.11
10/21/2013	3,587	\$7.04
10/22/2013	43,649	\$7.08
10/23/2013	15,147	\$7.13
10/24/2013	26,763	\$7.15
10/25/2013	77,901	\$7.14
10/25/2013	(3,225)	\$7.11
10/28/2013	129,151	\$7.14
10/29/2013	300	\$7.12
10/30/2013	2,300	\$7.15
10/31/2013	175,776	\$7.12
10/31/2013	(1,000)	\$7.11
11/1/2013	10,807	\$7.11
11/4/2013	(2,600)	\$7.13
11/5/2013	3,000	\$7.13
11/5/2013	(7,300)	\$7.10
11/11/2013	(500)	\$7.00
11/13/2013	5,306	\$6.96
11/14/2013	(700)	\$6.99
11/15/2013	5,600	\$7.01
11/15/2013	(68,101)	\$6.97
11/18/2013	(7,500)	\$6.99
11/19/2013	2,700	\$7.03
11/19/2013	(900)	\$7.00
11/20/2013	1,425	\$7.01
11/20/2013	(250)	\$7.00
11/21/2013	10,501	\$6.95
11/21/2013	(10,300)	\$6.97
11/25/2013	18,799	\$6.99
11/26/2013	1,000	\$6.97
11/26/2013	(7,525)	\$6.95
11/27/2013	3,000	\$6.97
11/27/2013	(9,300)	\$6.98
12/2/2013	16,000	\$6.95
12/3/2013	12,800	\$6.96
12/5/2013	1,400	\$7.04
12/10/2013	(3,825)	\$6.99

Edgar Filing: ALLIANCEBERNSTEIN INCOME FUND INC - Form SC 13D

12/11/2013	(1,300)	\$7.03
12/12/2013	(325)	\$7.03
12/13/2013	(12,300)	\$7.03
12/16/2013	(325)	\$7.07
12/17/2013	(27,987)	\$7.00
12/18/2013	(7,475)	\$7.01

The Accounts have the right to receive all dividends from, and any proceeds from the sale of the Shares. None of the Accounts has an interest in Shares constituting more than 5% of the Shares outstanding. **Item 6. Contracts, Arrangements, Understandings, or Relationships with Respect to Securities of the Issuer.** Except as described above, there are no contracts, arrangements, understandings or relationships of any kind among the Principals and KIM and between any of them and any other person with respect to any of AllianceBernstein Income Fund, Inc. securities. **Item 7. Materials to be Filed as Exhibits.** As is indicated in Item 4, above, KIM has purchased AllianceBernstein Income Fund, Inc. for the Accounts for investment purposes. However, KIM has reserved the right to contact management with regard to concerns that they have with respect to the Fund, including letters to the Board and/or other communications with fund management. Accordingly, KIM sent a letter to the Fund on December 20, 2013. A copy of the letter is attached as Exhibit 1.

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete, and correct.

Karpus Management, Inc.

By: /s/

Name: Daniel Lippincott

Title: Senior Tax-Sensitive Manager

Date: December 20, 2013

EXHIBIT 1

**Letter to the Fund
Transmitted December 20, 2013**

VIA FACSIMILE: (212) 969-2290 & OVERNIGHT MAIL

December 20, 2013

Emilie D. Wrapp
Senior Vice President and Assistant General Counsel
AllianceBernstein Investments, Inc.
1345 Avenue of the Americas
New York, New York 10105

Re: AllianceBernstein Income Fund, Inc.

Ms. Wrapp,

Karpus Management, Inc., d/b/a Karpus Investment Management ("Karpus") represents beneficial ownership of 11,548,588 common shares or 4.8% of the AllianceBernstein Income Fund, Inc. ("ACG" or the "Fund"). Such percentage is based on 242,911,697 shares outstanding, as indicated on the Fund's Semi-Annual report filed with the U.S. Securities and Exchange Commission on September 3, 2013. Pursuant to the ACG's prospectus, Karpus submits this written request to have the Fund submit a proposal to Fund shareholders at its next succeeding annual meeting of shareholders anticipated to be held in March 2013. As indicated in the prospectus, Karpus is requesting the Fund's proposal be one to amend the Fund's Charter to convert the Fund from a closed-end to an open-end investment company. Barring unforeseen circumstances, we believe we are able to submit this request because the Fund has traded at an average discount well in excess of the indicated threshold and we believe it will continue to do so through December 31. Seemingly, the prospectus language was included to address the very issue plaguing shareholders today. While Karpus does not hold the required 10% or more to satisfy the requirement, we do believe that other shareholders share our sentiment in the need for the Fund to address its wide discount to net asset value.

Sincerely,

/s/

Brett D. Gardner
Sr. Corporate Governance Analyst