

GABELLI UTILITY TRUST
Form N-CSR
March 08, 2010

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM N-CSR
CERTIFIED SHAREHOLDER REPORT OF REGISTERED MANAGEMENT
INVESTMENT COMPANIES
Investment Company Act file number 811-09243
The Gabelli Utility Trust**

(Exact name of registrant as specified in charter)
One Corporate Center
Rye, New York 10580-1422

(Address of principal executive offices) (Zip code)
Bruce N. Alpert
Gabelli Funds, LLC
One Corporate Center
Rye, New York 10580-1422

(Name and address of agent for service)
registrant's telephone number, including area code: 1-800-422-3554
Date of fiscal year end: December 31
Date of reporting period: December 31, 2009

Form N-CSR is to be used by management investment companies to file reports with the Commission not later than 10 days after the transmission to stockholders of any report that is required to be transmitted to stockholders under Rule 30e-1 under the Investment Company Act of 1940 (17 CFR 270.30e-1). The Commission may use the information provided on Form N-CSR in its regulatory, disclosure review, inspection, and policymaking roles. A registrant is required to disclose the information specified by Form N-CSR, and the Commission will make this information public. A registrant is not required to respond to the collection of information contained in Form N-CSR unless the Form displays a currently valid Office of Management and Budget (OMB) control number. Please direct comments concerning the accuracy of the information collection burden estimate and any suggestions for reducing the burden to Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549. The OMB has reviewed this collection of information under the clearance requirements of 44 U.S.C. § 3507.

Item 1. Reports to Stockholders.

The Report to Shareholders is attached herewith.

The Gabelli Utility Trust
Annual Report
December 31, 2009
Mario J. Gabelli, CFA

To Our Shareholders,

The Sarbanes-Oxley Act requires a fund's principal executive and financial officers to certify the entire contents of the semi-annual and annual shareholder reports in a filing with the Securities and Exchange Commission (SEC) on Form N-CSR. This certification would cover the portfolio manager's commentary and subjective opinions if they are attached to or a part of the financial statements. Many of these comments and opinions would be difficult or impossible to certify.

Because we do not want our portfolio managers to eliminate their opinions and/or restrict their commentary to historical facts, we have separated their commentary from the financial statements and investment portfolio and have sent it to you separately. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at www.gabelli.com.

Enclosed are the audited financial statements including the investment portfolio as of December 31, 2009.

Investment Performance

For the year ended December 31, 2009, The Gabelli Utility Trust's (the Fund) net asset value (NAV) total return was 19.5% and the total return for the Fund's publicly traded shares was 70.9%, compared with gains of 11.9% and 16.4% for the S&P 500 Utilities Index and the Lipper Utility Fund Average, respectively. On December 31, 2009, the Fund's NAV per share was \$5.20, while the price of the publicly traded shares closed at \$9.02 on the New York Stock Exchange (NYSE).

Premium / Discount Discussion

The price of a closed-end fund is determined in the open market by willing buyers and sellers. Shares of the Fund trade on the NYSE and may trade at a premium to (higher than) NAV (the market value of the Fund's underlying portfolio and other assets less any liabilities) or a discount to (lower than) NAV. Of the 623 closed-end funds that are publicly traded in the U.S. as of December 31, 2009, approximately 25% trade at premiums to NAV compared with 27% five years ago and 5% ten years ago.

Ideally, the Fund's market price will generally track the NAV. However, the Fund's premium or discount to NAV may vary over time. Over the Fund's ten year history, the range fluctuated from a 76% premium in December 2009 to a 3% discount in November 2000. Shortly after the inception of the Fund, the market price of the Fund exceeded the NAV and this premium continues today. On December 31, 2009, the market price of the Fund closed at a 73.5% premium to its NAV.

We believe that an excessive premium for the Fund is not likely to be sustainable.

Sincerely yours,

Bruce N. Alpert
President

February 19, 2010

Comparative Results

Average Annual Returns through December 31, 2009 (a) (Unaudited)

	Quarter	1 Year	3 Year	5 Year	10 Year	Since Inception (07/09/99)
Gabelli Utility Trust NAV Total Return (b)	7.57%	19.46%	(3.19)%	4.86%	6.94%	6.97%
	24.38	70.88	6.42	8.64	10.91	10.75

Investment Total**Return (c)**

S&P 500 Index	6.04	26.47	(5.62)	0.42	(0.95)	(0.36)
S&P 500 Utilities Index	7.26	11.91	(1.74)	6.05	4.88	3.55
Lipper Utility Fund						
Average	5.76	16.43	(2.80)	5.43	3.38	3.75

(a) Returns

represent past performance and do not guarantee future results.

Investment returns and the principal value of an investment will fluctuate. When shares are sold, they may be worth more or less than their original cost.

Current performance may be lower or higher than the performance data presented. Visit www.gabelli.com for performance information as of the most recent month end.

Performance returns for periods of less than one year are not annualized.

Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund before investing. The

S&P 500 Index is an unmanaged indicator of stock market

performance. The S&P 500 Utilities Index is an unmanaged indicator of electric and gas utility stock performance. The Lipper Utility Fund Average reflects the average performance of open-end mutual funds classified in this particular category. Dividends are considered reinvested. You cannot invest directly in an index.

- (b) *Total returns and average annual returns reflect changes in the NAV per share, reinvestment of distributions at NAV on the ex-dividend date, and adjustments for rights offerings and are net of expenses. Since inception return is based on an initial NAV of \$7.50.*

- (c) *Total returns and average annual returns reflect changes in closing market values on the NYSE, reinvestment of distributions, and*

*adjustments for
rights offerings.
Since inception
return is based on
an initial offering
price of \$7.50.*

THE GABELLI UTILITY TRUST
Summary of Portfolio Holdings (Unaudited)

The following table presents portfolio holdings as a percent of total investments as of December 31, 2009:

Energy and Utilities: Electric Integrated	48.4%
Energy and Utilities: Natural Gas Integrated	8.2%
Energy and Utilities: Electric Transmission and Distribution	8.2%
Energy and Utilities: Natural Gas Utilities	7.6%
Telecommunications	4.3%
Cable and Satellite	4.0%
Energy and Utilities: Global Utilities	3.9%
Energy and Utilities: Water	3.1%
Wireless Communications	3.0%
Energy and Utilities: Merchant Energy	2.2%
Diversified Industrial	1.4%
Energy and Utilities: Natural Resources	1.3%
Entertainment	1.2%
U.S. Government Obligations	0.7%
Communications Equipment	0.5%
Independent Power Producers and Energy Traders	0.5%
Energy and Utilities: Services	0.4%
Energy and Utilities: Alternative Energy	0.3%
Aerospace	0.3%
Transportation	0.2%
Environmental Services	0.1%
Real Estate	0.1%
Equipment and Supplies	0.1%
Investment Companies	0.0%
Agriculture	0.0%
Publishing	0.0%
	100.0%

The Fund files a complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q, the last of which was filed for the quarter ended September 30, 2009. Shareholders may obtain this information at www.gabelli.com or by calling the Fund at 800-GABELLI (800-422-3554). The Fund's Form N-Q is available on the SEC's website at www.sec.gov and may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

Proxy Voting

The Fund files Form N-PX with its complete proxy voting record for the twelve months ended June 30th, no later than August 31st of each year. A description of the Fund's proxy voting policies, procedures, and how the Fund voted proxies relating to portfolio securities is available without charge, upon request, by (i) calling 800-GABELLI (800-422-3554); (ii) writing to The Gabelli Funds at One Corporate Center, Rye, NY 10580-1422; or (iii) visiting the SEC's website at www.sec.gov.

THE GABELLI UTILITY TRUST
SCHEDULE OF INVESTMENTS
December 31, 2009

Shares		Cost	Market Value
	COMMON STOCKS 98.3%		
	ENERGY AND UTILITIES 84.8%		
	Energy and Utilities: Alternative Energy 0.3%		
17,000	Ormat Industries Ltd.	\$ 231,438	\$ 154,907
12,500	Ormat Technologies Inc.	273,994	473,000
8,100	Renegy Holdings Inc.	57,108	11,178
		562,540	639,085
	Energy and Utilities: Electric Integrated 48.4%		
250,000	Allegheny Energy Inc.	7,418,240	5,870,000
23,000	ALLETE Inc.	728,776	751,640
75,000	Alliant Energy Corp.	1,824,382	2,269,500
20,000	Ameren Corp.	691,088	559,000
78,000	American Electric Power Co. Inc.	2,568,822	2,713,620
10,000	Avista Corp.	199,636	215,900
50,000	Black Hills Corp.	1,431,322	1,331,500
26,000	Central Vermont Public Service Corp.	482,572	540,800
27,000	Cleco Corp.	524,506	737,910
125,000	CMS Energy Corp.	1,418,407	1,957,500
160,000	Constellation Energy Group Inc.	6,078,680	5,627,200
33,000	Dominion Resources Inc.	1,449,340	1,284,360
155,000	DPL Inc.	3,267,909	4,278,000
24,000	DTE Energy Co.	978,366	1,046,160
180,000	Duke Energy Corp.	3,468,251	3,097,800
88,000	Edison International	3,769,833	3,060,640
185,000	El Paso Electric Co.	3,347,782	3,751,800
1,000	Emera Inc.	21,639	23,971
3,000	Entergy Corp.	84,249	245,520
51,000	FirstEnergy Corp.	2,118,209	2,368,950
95,000	FPL Group Inc.	4,094,308	5,017,900
235,000	Great Plains Energy Inc.	6,319,204	4,556,650
55,000	Hawaiian Electric Industries Inc.	1,335,289	1,149,500
92,000	IntegrYS Energy Group Inc.	4,632,153	3,863,080
61,000	Maine & Maritimes Corp.	1,926,684	2,122,800
64,000	MGE Energy Inc.	1,887,100	2,287,360
48,000	NiSource Inc.	1,020,001	738,240
110,000	NorthWestern Corp.	3,338,803	2,862,200
35,000	NV Energy Inc.	312,248	433,300
100,000	OGE Energy Corp.	2,406,346	3,689,000
24,000	Otter Tail Corp.	637,145	595,200
48,000	PG&E Corp.	1,280,160	2,143,200
100,000	PNM Resources Inc.	1,119,082	1,265,000

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95,000	Progress Energy Inc.	4,127,681	3,895,950
40,000	Progress Energy Inc., CVO	20,800	6,000
38,000	Public Service Enterprise Group Inc.	996,629	1,263,500
60,500	SCANA Corp.	1,918,305	2,279,640
104,000	TECO Energy Inc.	1,548,928	1,686,880
25,000	The Empire District Electric Co.	515,057	468,250
150,000	UniSource Energy Corp.	4,583,635	4,828,500
18,000	Unitil Corp.	466,141	413,640
47,000	Vectren Corp.	1,162,166	1,159,960
260,000	Westar Energy Inc.	5,973,605	5,647,200
90,000	Wisconsin Energy Corp.	3,273,387	4,484,700
195,000	Xcel Energy Inc.	3,384,476	4,137,900

100,151,342 102,727,321

Energy and Utilities:

Electric Transmission and Distribution 8.2%

243	Brookfield Infrastructure Partners LP	5,103	4,075
50,000	CH Energy Group Inc.	2,261,677	2,126,000
60,000	Consolidated Edison Inc.	2,684,666	2,725,800
135,000	Northeast Utilities	2,670,943	3,481,650
210,000	NSTAR	5,185,708	7,728,000
22,500	Pepco Holdings Inc.	449,918	379,125
36,666	UIL Holdings Corp.	966,693	1,029,581

14,224,708 17,474,231

Energy and Utilities: Global Utilities 3.9%

1,500	Areva SA	613,197	750,462
8,000	Chubu Electric Power Co. Inc.	189,551	190,691
40,000	Electric Power Development Co. Ltd.	1,440,584	1,133,838
45,000	Endesa SA	1,676,497	1,544,684
300,000	Enel SpA	1,862,753	1,740,685
300,000	Hera SpA	433,286	696,274
8,000	Hokkaido Electric Power Co. Inc.	156,870	145,080
8,000	Hokuriku Electric Power Co.	146,449	173,941
3,500	Huaneng Power International Inc., ADR	135,552	78,400
35,000	Korea Electric Power Corp., ADR	565,727	508,900
8,000	Kyushu Electric Power Co. Inc.	167,818	164,406
2,000	Niko Resources Ltd.	113,769	188,172
8,000	Shikoku Electric Power Co. Inc.	155,987	206,152
8,000	The Chugoku Electric Power Co. Inc.	150,761	152,467
8,000	The Kansai Electric Power Co. Inc.	158,472	180,383
8,000	The Tokyo Electric Power Co. Inc.	191,450	200,569
15,000	Tohoku Electric Power Co. Inc.	284,854	296,344

8,443,577 8,351,448

Energy and Utilities: Merchant Energy 2.2%

35,810	Dynegy Inc., Cl. A	175,000	64,816
8,130	Mirant Corp.	37,373	124,145

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300,000	Mirant Corp., Escrow (a)	0	0
330,000	The AES Corp.	4,122,058	4,392,300
		4,334,431	4,581,261
	Energy and Utilities: Natural Gas Integrated 7.4%		
205,000	El Paso Corp.	1,881,819	2,015,150
1,000	Energen Corp.	66,090	46,800
130,000	National Fuel Gas Co.	4,434,268	6,500,000
100,000	ONEOK Inc.	2,674,346	4,457,000
120,000	Southern Union Co.	2,059,886	2,724,000
		11,116,409	15,742,950

See accompanying notes to financial statements.

THE GABELLI UTILITY TRUST
SCHEDULE OF INVESTMENTS (Continued)
December 31, 2009

Shares		Cost	Market Value
	COMMON STOCKS (Continued)		
	ENERGY AND UTILITIES (Continued)		
	Energy and Utilities: Natural Gas Utilities 7.6%		
26,000	AGL Resources Inc.	\$ 643,173	\$ 948,220
40,000	Atmos Energy Corp.	993,963	1,176,000
29,635	Chesapeake Utilities Corp.	690,213	949,802
12,500	Corning Natural Gas Corp.	196,189	240,000
30,000	Delta Natural Gas Co. Inc.	502,057	858,300
11,445	GDF Suez	387,206	496,885
11,445	GDF Suez, Strips	0	16
90,000	Nicor Inc.	3,094,353	3,789,000
35,000	Piedmont Natural Gas Co. Inc.	553,256	936,250
6,000	RGC Resources Inc.	128,344	177,300
145,000	Southwest Gas Corp.	4,030,376	4,136,850
120,000	Spectra Energy Corp.	3,280,847	2,461,200
		14,499,977	16,169,823
	Energy and Utilities: Natural Resources 1.3%		
6,000	Anadarko Petroleum Corp.	265,940	374,520
34,000	Compania de Minas Buenaventura SA, ADR	381,326	1,137,980
14,000	Exxon Mobil Corp.	800,233	954,660
3,000	Peabody Energy Corp.	112,025	135,630
4,000	Royal Dutch Shell plc, Cl. A, ADR	237,320	240,440
		1,796,844	2,843,230
	Energy and Utilities: Services 0.4%		
40,000	ABB Ltd., ADR	436,920	764,000
3,000	Tenaris SA, ADR	136,820	127,950
		573,740	891,950
	Energy and Utilities: Water 3.1%		
14,000	American States Water Co.	312,701	495,740
30,000	American Water Works Co. Inc.	645,000	672,300
21,833	Aqua America Inc.	221,008	382,296
24,750	Artesian Resources Corp., Cl. A	257,250	453,173
20,000	California Water Service Group	555,152	736,400
7,500	Connecticut Water Service Inc.	146,455	185,775
51,333	Middlesex Water Co.	801,882	905,001
33,000	Pennichuck Corp.	680,437	697,290

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80,000	SJW Corp.	1,482,532	1,805,600
8,101	Southwest Water Co.	52,047	47,715
9,000	The York Water Co.	108,269	130,590
		5,262,733	6,511,880
	Diversified Industrial 1.4%		
2,200	Alstom SA	201,640	154,726
2,000	Bouygues SA	104,931	104,434
10,000	Cooper Industries plc	279,812	426,400
150,000	General Electric Co.	3,174,879	2,269,500
		3,761,262	2,955,060
	Equipment and Supplies 0.1%		
50,000	Capstone Turbine Corp.	83,080	64,500
2,000	Mueller Industries Inc.	88,019	49,680
		171,099	114,180
	Environmental Services 0.0%		
3,000	Suez Environnement Co. SA	0	69,348
	Independent Power Producers and Energy Traders 0.5%		
40,000	NRG Energy Inc.	966,620	944,400
	TOTAL ENERGY AND UTILITIES	165,865,282	180,016,167
	COMMUNICATIONS 11.7%		
	Cable and Satellite 4.0%		
100,000	Cablevision Systems Corp., Cl. A	2,566,292	2,582,000
5,000	Cogeco Cable Inc.	105,008	167,328
20,000	Cogeco Inc.	389,461	548,453
54,000	DIRECTV, Cl. A	892,323	1,800,900
59,000	DISH Network Corp., Cl. A	1,217,843	1,225,430
10,000	EchoStar Corp., Cl. A	280,860	201,400
35,000	Liberty Global Inc., Cl. A	739,454	766,850
20,000	Liberty Global Inc., Cl. C	421,966	437,000
8,000	Rogers Communications Inc., Cl. B	119,139	248,000
12,000	Time Warner Cable Inc.	515,102	496,680
2,112	Zon Multimedia Servicos de Telecomunicacoes e Multimedia SGPS SA	20,761	13,134
		7,268,209	8,487,175
	Communications Equipment 0.5%		
2,000	QUALCOMM Inc.	76,299	92,520
260,000	The Furukawa Electric Co. Ltd.	1,199,164	1,077,576
		1,275,463	1,170,096

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Telecommunications 4.3%			
50,000	AT&T Inc.	1,310,776	1,401,500
2,000	Belgacom SA	69,509	72,595
4,350	Bell Aliant Regional Communications Income Fund (a)(b)	117,218	116,307
16,000	BT Group plc, ADR	487,541	347,840
220,000	Cincinnati Bell Inc.	942,873	759,000
2,000	Comstar United Telesystems OJSC, GDR	13,882	11,000
62,000	Deutsche Telekom AG, ADR	1,046,677	911,400
2,000	France Telecom SA, ADR	22,799	50,480
200	Hutchison Telecommunications Hong Kong Holdings Ltd.	19	34
200	Hutchison Telecommunications International Ltd.	163	42
500	Mobistar SA	41,057	34,330
20,000	Nippon Telegraph & Telephone Corp.	929,640	783,808
2,000	Orascom Telecom Holding SAE, GDR	65,069	45,980
15,000	Portugal Telecom SGPS SA	210,165	183,207
2,000	PT Indosat Tbk	1,061	1,006
1,000	Rostelecom, ADR	52,268	27,350
500	Sistema JSFC, GDR (c)	17,384	10,500
1,200	Tele2 AB, Cl. B	14,604	18,483
27,000	Telekom Austria AG	403,751	385,123
40,000	Touch America Holdings Inc. (a)	38,488	0
115,000	Verizon Communications Inc.	4,291,018	3,809,950
10,000	Windstream Corp.	100,600	109,900
		10,176,562	9,079,835

See accompanying notes to financial statements.

THE GABELLI UTILITY TRUST
SCHEDULE OF INVESTMENTS (Continued)
December 31, 2009

Shares		Cost	Market Value
	COMMUNICATIONS (Continued)		
	Wireless Communications 2.9%		
600	America Movil SAB de CV, Cl. L, ADR	\$ 9,424	\$ 28,188
2,000	China Mobile Ltd., ADR	33,988	92,860
2,000	China Unicom Hong Kong Ltd., ADR	16,278	26,220
14,000	Millicom International Cellular SA	1,016,300	1,032,780
4,500	Mobile TeleSystems OJSC, ADR	175,074	220,005
171	MobileOne Ltd.	210	230
1,200	NTT DoCoMo Inc.	1,732,443	1,669,834
600	SK Telecom Co. Ltd., ADR	12,374	9,756
200	SmarTone Telecommunications Holdings Ltd.	207	165
22,000	Turkcell Iletisim Hizmetleri A/S, ADR	378,706	384,780
30,000	United States Cellular Corp.	1,429,970	1,272,300
75,000	Vimpel-Communications, ADR	720,805	1,394,250
		5,525,779	6,131,368
	TOTAL COMMUNICATIONS	24,246,013	24,868,474
	OTHER 1.8%		
	Aerospace 0.3%		
75,000	Rolls-Royce Group plc	555,067	585,710
4,500,000	Rolls-Royce Group plc, Cl. C	7,351	7,268
		562,418	592,978
	Agriculture 0.0%		
3,000	Cadiz Inc.	30,211	35,910
	Entertainment 1.2%		
22,000	Time Warner Inc.	730,152	641,080
64,000	Vivendi	2,365,469	1,907,880
		3,095,621	2,548,960
	Investment Companies 0.0%		
3,000	Kinnevik Investment AB, Cl. B	41,537	44,866
	Publishing 0.0%		
8,000	Idearc Inc.	404	26
	Real Estate 0.1%		
6,075	Brookfield Asset Management Inc., Cl. A	65,353	134,744

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	Transportation 0.2%		
20,000	GATX Corp.	569,753	575,000
	TOTAL OTHER	4,365,297	3,932,484
	TOTAL COMMON STOCKS	194,476,592	208,817,125
	CONVERTIBLE PREFERRED STOCKS 0.8%		
	ENERGY AND UTILITIES 0.8%		
	Energy and Utilities: Natural Gas Integrated 0.8%		
2,000	El Paso Corp., 4.990% Cv. Pfd. (b)	1,945,987	1,846,300
	WARRANTS 0.1%		
	ENERGY AND UTILITIES 0.0%		
	Energy and Utilities: Merchant Energy 0.0%		
26,107	Mirant Corp., Ser. A, expire 01/03/11	51,616	12,531
	COMMUNICATIONS 0.1%		
	Wireless Communications 0.1%		
18,000	Bharti Airtel Ltd., expire 09/19/13 (b)	126,088	127,577
	TOTAL WARRANTS	177,704	140,108
Principal Amount			
	CONVERTIBLE CORPORATE BONDS 0.1%		
	ENERGY AND UTILITIES 0.1%		
	Environmental Services 0.1%		
\$ 100,000	Covanta Holding Corp., Cv., 3.250%, 06/01/14 (b)	100,000	115,750
	U.S. GOVERNMENT OBLIGATIONS 0.7%		
	U.S. Treasury Bills 0.5%		
1,047,000	U.S. Treasury Bills, 0.122% to 0.152% , 05/13/10 to 06/03/10	1,046,465	1,046,448
	U.S. Treasury Cash Management Bills 0.1%		
295,000	U.S. Treasury Cash Management Bill, 0.152% , 06/10/10	294,799	294,779
	U.S. Treasury Notes 0.1%		
115,000	U.S. Treasury Note, 4.125%, 08/15/10	117,773	117,727
	TOTAL U.S. GOVERNMENT OBLIGATIONS	1,459,037	1,458,954
TOTAL INVESTMENTS 100.0%		\$ 198,159,320	212,378,237
Other Assets and Liabilities (Net)			(199,159)
PREFERRED STOCK (1,154,188 preferred shares outstanding)			(51,332,200)
NET ASSETS COMMON SHARES (30,945,908 common shares outstanding)			\$ 160,846,878

NET ASSET VALUE PER COMMON SHARE (\$160,846,878 ÷
30,945,908 shares outstanding)

\$ 5.20

- (a) Security fair valued under procedures established by the Board of Trustees. The procedures may include reviewing available financial information about the company and reviewing the valuation of comparable securities and other factors on a regular basis. At December 31, 2009, the market value of fair valued securities amounted to \$116,307 or 0.05% of total investments.
- (b) Security exempt from registration under Rule 144A of the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration, normally to qualified

institutional buyers. At December 31, 2009, the market value of Rule 144A securities amounted to \$2,205,934 or 1.04% of total investments.

- (c) Security purchased pursuant to Regulation S under the Securities Act of 1933, which exempts from registration securities offered and sold outside of the United States. Such a security cannot be sold in the United States without either an effective registration statement filed pursuant to the Securities Act of 1933, or pursuant to an exemption from registration. At December 31, 2009, the market value of the Regulation S security amounted to \$10,500 or 0.00% of total investments, which was valued under methods

approved by
Board of
Trustees as
follows:

Acquisition	Acquisition	Acquisition	12/31/09
Shares	Date	Cost	Carrying
Issuer			Value
			Per Unit
500	10/10/07	\$17,384	\$ 21.0000
Sistema JSFC, GDR			
Non-income producing security.			
Represents annualized yield at date of purchase.			
ADR	American Depositary Receipt		
CVO	Contingent Value Obligation		
GDR	Global Depositary Receipt		

See accompanying notes to financial statements.

THE GABELLI UTILITY TRUST
STATEMENT OF ASSETS AND LIABILITIES
December 31, 2009

Assets:	
Investments, at value (cost \$198,159,320)	\$ 212,378,237
Cash	2,454
Receivable for investments sold	697,113
Dividends and interest receivable	514,358
Deferred offering expense	119,072
Prepaid expense	6,356
Other asset	5,868
Total Assets	213,723,458
Liabilities:	
Distributions payable	19,854
Payable for investment advisory fees	649,301
Payable for payroll expenses	35,842
Payable for accounting fees	11,250
Payable for shareholder communications expenses	171,850
Unrealized depreciation on swap contracts	461,603
Payable for auction agent fees	111,133
Other accrued expenses	83,547
Total Liabilities	1,544,380
Preferred Shares:	
Series A Cumulative Preferred Shares (5.625%, \$25 liquidation value, \$0.001 par value 1,200,000 shares authorized with 1,153,288 shares issued and outstanding)	28,832,200
Series B Cumulative Preferred Shares (Auction Market, \$25,000 liquidation value, \$0.001 par value, 1,000 shares authorized with 900 shares issued and outstanding)	22,500,000
Total Preferred Shares	51,332,200
Net Assets Attributable to Common Shareholders	\$ 160,846,878
Net Assets Attributable to Common Shareholders Consist of:	
Paid-in capital	\$ 149,384,552
Accumulated distributions in excess of net investment income	(9,516)
Accumulated net realized loss on investments, swap contracts, and foreign currency transactions	(2,286,403)
Net unrealized appreciation on investments	14,218,917
Net unrealized depreciation on swap contracts	(461,603)
Net unrealized appreciation on foreign currency translations	931
Net Assets	\$ 160,846,878
Net Asset Value per Common Share (\$160,846,878 ÷ 30,945,908 shares outstanding, at \$0.001 par value; unlimited number of shares authorized)	\$ 5.20

STATEMENT OF OPERATIONS
For the Year Ended December 31, 2009

Investment Income:

Dividends (net of foreign taxes of \$112,278)	\$ 8,081,015
Interest	46,990

Total Investment Income	8,128,005
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Expenses:

Investment advisory fees	1,933,306
Shareholder communications expenses	289,294
Shareholder services fees	164,690
Payroll expenses	145,849
Legal and audit fees	74,869
Trustees fees	74,000
Auction agent expenses	57,087
Accounting fees	45,000
Custodian fees	31,857
Interest expense	31
Miscellaneous expenses	82,740

Total Expenses	2,898,723
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Less:

Advisory fee reduction	(986)
Custodian fee credits	(31)

Total Reductions and Credits	(1,017)
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Net Expenses	2,897,706
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Net Investment Income	5,230,299
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Net Realized and Unrealized Gain/(Loss) on Investments, Swap Contracts, and Foreign Currency:

Net realized loss on investments	(1,458,726)
Net realized loss on swap contracts	(793,240)
Net realized gain on foreign currency transactions	1,256

Net realized loss on investments, swap contracts, and foreign currency transactions	(2,250,710)
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Net change in unrealized appreciation:

on investments	23,313,766
on swap contracts	345,628
on foreign currency translations	1,010

Net change in unrealized appreciation on investments, swap contracts, and foreign currency translations	23,660,404
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Net Realized and Unrealized Gain/(Loss) on Investments, Swap Contracts, and Foreign Currency	21,409,694
Net Increase in Net Assets Resulting from Operations	26,639,993
Total Distributions to Preferred Shareholders	(1,965,939)
Net Increase in Net Assets Attributable to Common Shareholders Resulting from Operations	\$ 24,674,054

See accompanying notes to financial statements.

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THE GABELLI UTILITY TRUST
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO COMMON SHAREHOLDERS

	Year Ended December 31, 2009	Year Ended December 31, 2008
Operations:		
Net investment income	\$ 5,230,299	\$ 5,330,806
Net realized gain/(loss) on investments, swap contracts, and foreign currency transactions	(2,250,710)	1,691,926
Net change in unrealized appreciation/depreciation on investments, swap contracts, and foreign currency translations	23,660,404	(76,477,469)
Net Increase/(Decrease) in Net Assets Resulting from Operations	26,639,993	(69,454,737)
Distributions to Preferred Shareholders:		
Net investment income	(1,965,939)	(1,794,946)
Net realized short-term gain		(65,729)
Net realized long-term gain		(762,705)
Total Distributions to Preferred Shareholders	(1,965,939)	(2,623,380)
Net Increase/(Decrease) in Net Assets Attributable to Common Shareholders Resulting from Operations	24,674,054	(72,078,117)
Distributions to Common Shareholders:		
Net investment income	(2,413,479)	(2,937,568)
Net realized short-term gain		(107,569)
Net realized long-term gain		(1,248,226)
Return of capital	(19,676,599)	(17,442,628)
Total Distributions to Common Shareholders	(22,090,078)	(21,735,991)
Fund Share Transactions:		
Net increase in net assets from common shares issued upon reinvestment of distributions	3,328,163	3,135,666
Net increase in net assets from repurchase of preferred shares	36,704	54,184
Offering costs for issuance of rights charged to paid-in capital		(94,830)
Net Increase in Net Assets from Fund Share Transactions	3,364,867	3,095,020
Net Increase/(Decrease) in Net Assets Attributable to Common Shareholders	5,948,843	(90,719,088)
Net Assets Attributable to Common Shareholders:		
Beginning of period	154,898,035	245,617,123
End of period (including undistributed net investment income of \$0 and \$0, respectively)	\$ 160,846,878	\$ 154,898,035

See accompanying notes to financial statements.

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**THE GABELLI UTILITY TRUST
FINANCIAL HIGHLIGHTS**

Selected data for a share of beneficial interest outstanding throughout each period:

	Year Ended December 31,				
	2009	2008	2007	2006	2005
Operating Performance:					
Net asset value, beginning of period	\$ 5.09	\$ 8.18	\$ 8.19	\$ 6.98	\$ 7.14
Net investment income	0.17	0.18	0.19	0.17	0.18
Net realized and unrealized gain/(loss) on investments, swap contracts, and foreign currency transactions	0.69	(2.48)	0.61	1.84	0.45
Total from investment operations	0.86	(2.30)	0.80	2.01	0.63
Distributions to Preferred Shareholders: (a)					
Net investment income	(0.06)	(0.06)	(0.03)	(0.02)	(0.02)
Net realized gain		(0.03)	(0.07)	(0.08)	(0.07)
Total distributions to preferred shareholders	(0.06)	(0.09)	(0.10)	(0.10)	(0.09)
Net Increase/(Decrease) in Net Assets Attributable to Common Shareholders Resulting from Operations					
	0.80	(2.39)	0.70	1.91	0.54
Distributions to Common Shareholders:					
Net investment income	(0.08)	(0.10)	(0.16)	(0.16)	(0.14)
Net realized gain		(0.04)	(0.33)	(0.56)	(0.58)
Paid-in capital	(0.64)	(0.58)	(0.23)		
Total distributions to common shareholders	(0.72)	(0.72)	(0.72)	(0.72)	(0.72)
Fund Share Transactions:					
Increase in net asset value from common share transactions	0.03	0.02	0.01	0.02	0.02
Increase in net asset value from repurchase of preferred shares	0.00(g)	0.00(g)	0.00(g)		
Offering costs for preferred shares charged to paid-in capital					0.00(g)
Offering costs for issuance of rights charged to paid-in capital		(0.00)(g)		0.00(g)	(0.00)(g)
Total fund share transactions	0.03	0.02	0.01	0.02	0.02

Net Asset Value Attributable to Common Shareholders, End of Period	\$ 5.20	\$ 5.09	\$ 8.18	\$ 8.19	\$ 6.98
Net asset value total return	14.19%				