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GABELLI UTILITY TRUST  
Form N-CSRS  
September 05, 2008

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: June 30, 2008

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. ss. 3507.

ITEM 1. REPORTS TO STOCKHOLDERS.

The Report to Shareholders is attached herewith.

(THE GABELLI UTILITY TRUST LOGO)

THE GABELLI UTILITY TRUST  
Semi-Annual Report

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June 30, 2008

TO OUR SHAREHOLDERS,

The Gabelli Utility Trust's (the "Fund") net asset value ("NAV") total return declined 8.2% during the first half of 2008, compared with losses of 2.8% and 4.6% for the Standard & Poor's ("S&P") 500 Utilities Index and for the Lipper Utility Fund Average, respectively. The total return for the Fund's publicly traded shares increased 2.0% during the first half of the year. On June 30, 2008, the Fund's NAV per share was \$7.15, while the price of the publicly traded shares closed at \$9.30 on the New York Stock Exchange, a 30% premium at that date.

Enclosed are the financial statements and the investment portfolio as of June 30, 2008.

## COMPARATIVE RESULTS

### AVERAGE ANNUAL RETURNS THROUGH JUNE 30, 2008 (a)

	Quarter	Year to Date	1 Year	3 Year	5 Year	Since Inception (07/09/99)
	-----	-----	-----	-----	-----	-----
<b>GABELLI UTILITY TRUST</b>						
NAV TOTAL RETURN (b) .....	6.21%	(8.21)%	(4.39)%	8.47%	11.36%	9.37%
INVESTMENT TOTAL RETURN (c) ..	2.82	1.99	4.58	6.26	7.18	11.01
S&P 500 Index .....	(2.72)	(11.90)	(13.11)	4.40	7.58	0.71
S&P 500 Utilities Index .....	7.97	(2.76)	6.63	12.50	16.98	6.52
Lipper Utility Fund Average .....	6.35	(4.57)	2.32	13.81	16.87	6.89

- (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](http://WWW.GABELLI.COM) FOR PERFORMANCE INFORMATION AS OF THE MOST RECENT MONTH END. PERFORMANCE RETURNS FOR PERIODS 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 NEW YORK STOCK EXCHANGE, REINVESTMENT OF DISTRIBUTIONS, AND ADJUSTMENTS FOR RIGHTS OFFERINGS. SINCE INCEPTION RETURN IS BASED ON AN INITIAL OFFERING PRICE OF \$7.50.

We have separated the portfolio manager's commentary from the financial statements and investment portfolio due to corporate governance regulations

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stipulated by the Sarbanes-Oxley Act of 2002. We have done this to ensure that the content of the portfolio manager's commentary is unrestricted. The financial statements and investment portfolio are mailed separately from the commentary. Both the commentary and the financial statements, including the portfolio of investments, will be available on our website at [www.gabelli.com/funds](http://www.gabelli.com/funds).

### THE GABELLI UTILITY TRUST SUMMARY OF PORTFOLIO HOLDINGS (UNAUDITED)

The following table presents portfolio holdings as a percent of total investments as of June 30, 2008:

Energy and Utilities: Electric Integrated .....	45.4%
Energy and Utilities: Natural Gas Integrated ..	8.9%
U.S. Government Obligations .....	7.9%
Energy and Utilities:	
Electric Transmission and Distribution .....	7.5%
Energy and Utilities: Natural Gas Utilities ...	6.0%
Telecommunications .....	4.3%
Energy and Utilities: Global Utilities .....	4.2%
Cable and Satellite .....	3.0%
Energy and Utilities: Water .....	2.7%
Wireless Communications .....	2.7%
Energy and Utilities: Merchant Energy .....	2.0%
Entertainment .....	1.4%
Energy and Utilities: Natural Resources .....	1.3%
Diversified Industrial .....	0.9%
Energy and Utilities: Services .....	0.5%
Communications Equipment .....	0.4%
Energy and Utilities: Alternative Energy .....	0.3%
Transportation .....	0.2%
Aerospace .....	0.2%
Equipment and Supplies .....	0.1%
Real Estate .....	0.1%
Automotive: Parts and Accessories .....	0.0%
Agriculture .....	0.0%
Publishing .....	0.0%
	-----
	100.0%
	=====

THE FUND FILES A COMPLETE SCHEDULE OF PORTFOLIO HOLDINGS WITH THE SECURITIES AND EXCHANGE COMMISSION (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 MARCH 31, 2008. SHAREHOLDERS MAY OBTAIN THIS INFORMATION AT [WWW.GABELLI.COM](http://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](http://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 12 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

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Corporate Center, Rye, NY 10580-1422; or (iii) visiting the SEC's website at [www.sec.gov](http://www.sec.gov).

### SHAREHOLDER MEETING - MAY 19, 2008 - FINAL RESULTS

The Annual Meeting of Shareholders was held on May 19, 2008 at the Greenwich Library in Greenwich, Connecticut. At that meeting, common and preferred shareholders, voting together as a single class, elected Frank J. Fahrenkopf, Jr., Robert J. Morrissey, and Salvatore J. Zizza as Trustees of the Fund. A total of 27,546,304 votes, 27,560,966 votes, and 27,590,271 votes were cast in favor of each Trustee and a total of 581,763 votes, 567,101 votes, and 537,797 votes were withheld for each Trustee, respectively. In addition, preferred shareholders, voting as a separate class, elected Anthony J. Colavita as a Trustee of the Fund. A total of 984,387 votes were cast in favor of this Trustee and a total of 31,494 votes were withheld for this Trustee.

Mario J. Gabelli, Thomas E. Bratter, James P. Conn, Vincent D. Enright, John D. Gabelli, and Anthony R. Pustorino continue to serve in their capacities as Trustees of the Fund.

We thank you for your participation and appreciate your continued support.

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### THE GABELLI UTILITY TRUST SCHEDULE OF INVESTMENTS JUNE 30, 2008 (UNAUDITED)

SHARES		COST	MARKET VALUE
	COMMON STOCKS -- 90.1%		
	ENERGY AND UTILITIES -- 78.3%		
	ENERGY AND UTILITIES: ALTERNATIVE ENERGY -- 0.3%		
20,000	Ormat Industries Ltd. ....	\$ 270,792	\$ 260,074
12,500	Ormat Technologies Inc. ....	273,994	614,750
		544,786	874,824
	ENERGY AND UTILITIES: ELECTRIC INTEGRATED -- 45.4%		
248,000	Allegheny Energy Inc. ....	7,414,609	12,427,280
23,000	ALLETE Inc. ....	728,776	966,000
75,000	Alliant Energy Corp. ....	1,824,383	2,569,500
10,000	Ameren Corp. ....	437,020	422,300
80,000	American Electric Power Co. Inc. ....	2,629,105	3,218,400
1,800,000	Aquila Inc.+ ....	6,816,425	6,786,000
10,000	Avista Corp. ....	199,636	214,600
35,000	Black Hills Corp. ....	1,060,967	1,122,100
30,000	Cleco Corp. ....	570,612	699,900
145,000	CMS Energy Corp. ....	1,603,116	2,160,500
70,000	Constellation Energy Group Inc. ....	4,354,534	5,747,000
30,000	Dominion Resources Inc. ....	1,371,417	1,424,700
160,000	DPL Inc. ....	3,365,523	4,220,800
24,000	DTE Energy Co. ....	978,366	1,018,560

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190,000	Duke Energy Corp. ....	3,660,932	3,302,200
90,000	Edison International .....	3,861,403	4,624,200
189,300	El Paso Electric Co.+ .....	3,420,893	3,748,140
3,000	Entergy Corp. ....	84,249	361,440
51,000	FirstEnergy Corp. ....	2,118,209	4,198,830
137,000	Florida Public Utilities Co. ....	1,196,633	1,630,300
90,000	FPL Group Inc. ....	3,906,908	5,902,200
100,000	Great Plains Energy Inc. ....	3,108,740	2,528,000
55,000	Hawaiian Electric Industries Inc. ....	1,433,833	1,360,150
92,000	Integrays Energy Group Inc. ....	4,632,153	4,676,360
61,000	Maine & Maritimes Corp.+ .....	1,926,684	2,586,400
66,000	MGE Energy Inc. ....	1,951,270	2,152,920
45,000	NiSource Inc. ....	970,021	806,400
110,900	NorthWestern Corp. ....	3,423,749	2,819,078
100,000	OGE Energy Corp. ....	2,406,346	3,171,000
24,000	Otter Tail Corp. ....	637,145	931,920
48,000	PG&E Corp. ....	1,280,160	1,905,120
35,000	PNM Resources Inc. ....	470,892	418,600
100,000	Progress Energy Inc. ....	4,383,880	4,183,000
40,000	Progress Energy Inc., CVO+ (a) .....	20,800	13,200
38,000	Public Service Enterprise Group Inc. ....	996,629	1,745,340
41,000	Puget Energy Inc. ....	963,390	983,590
60,500	SCANA Corp. ....	1,918,305	2,238,500

SHARES		COST	MARKET VALUE
-----		-----	-----
35,000	Sierra Pacific Resources .....	\$ 312,248	\$ 444,850
104,000	TECO Energy Inc. ....	1,560,497	2,234,960
20,000	The Empire District Electric Co. ...	426,495	370,800
150,000	Unisource Energy Corp. ....	4,583,635	4,651,500
35,000	Unitil Corp. ....	926,911	948,850
47,000	Vectren Corp. ....	1,162,166	1,466,870
260,000	Westar Energy Inc. ....	5,973,605	5,592,600
90,000	Wisconsin Energy Corp. ....	3,273,387	4,069,800
195,000	Xcel Energy Inc. ....	3,384,476	3,913,650
		-----	-----
		103,731,133	122,978,408
		-----	-----
	ENERGY AND UTILITIES:		
	ELECTRIC TRANSMISSION AND DISTRIBUTION -- 7.5%		
243	Brookfield Infrastructure Partners LP .....	5,103	4,763
50,000	CH Energy Group Inc. ....	2,261,677	1,778,500
60,000	Consolidated Edison Inc. ....	2,710,619	2,345,400
150,000	Energy East Corp. ....	3,458,388	3,708,000
135,000	Northeast Utilities .....	2,670,943	3,446,550
215,000	NSTAR .....	5,293,459	7,271,300
22,500	Pepco Holdings Inc. ....	449,918	577,125
36,666	UIL Holdings Corp. ....	966,693	1,078,347
		-----	-----
		17,816,800	20,209,985
		-----	-----
	ENERGY AND UTILITIES: GLOBAL UTILITIES -- 4.2%		
1,500	Areva SA .....	613,197	1,754,731

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8,000	Chubu Electric Power Co. Inc. ....	189,551	195,131
40,000	Electric Power Development Co. Ltd. ....	1,440,584	1,484,202
20,000	Endesa SA .....	881,733	974,273
28,800	Endesa SA, ADR (a) .....	1,544,139	1,403,367
200,000	Enel SpA .....	1,531,070	1,901,943
300,000	Hera SpA .....	433,286	1,225,714
8,000	Hokkaido Electric Power Co. Inc. ....	156,870	162,735
8,000	Hokuriku Electric Power Co. ....	146,449	190,234
3,500	Huaneng Power International Inc., ADR .....	135,552	96,775
35,000	Korea Electric Power Corp., ADR .....	565,727	508,550
8,000	Kyushu Electric Power Co. Inc. ....	167,818	167,255
2,000	Niko Resources Ltd. ....	113,769	191,704
8,000	Shikoku Electric Power Co. Inc. ....	155,987	219,993
8,000	The Chugoku Electric Power Co. Inc. ....	150,761	170,646
8,000	The Kansai Electric Power Co. Inc. ....	158,473	187,221
8,000	The Tokyo Electric Power Co. Inc. ....	191,450	205,679

See accompanying notes to financial statements.

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THE GABELLI UTILITY TRUST  
SCHEDULE OF INVESTMENTS (CONTINUED)  
JUNE 30, 2008 (UNAUDITED)

SHARES		COST	MARKET VALUE
-----		-----	-----
	COMMON STOCKS (CONTINUED)		
	ENERGY AND UTILITIES (CONTINUED)		
	ENERGY AND UTILITIES: GLOBAL UTILITIES (CONTINUED)		
15,000	Tohoku Electric Power Co. Inc. ....	\$ 284,854	\$ 326,317
		-----	-----
		8,861,270	11,366,470
		-----	-----
	ENERGY AND UTILITIES: MERCHANT ENERGY -- 1.8%		
35,810	Dynegy Inc., Cl. A+ .....	175,000	306,176
8,130	Mirant Corp.+ .....	37,373	318,289
300,000	Mirant Corp. Escrow+ (a) .....	0	0
220,000	The AES Corp.+ .....	3,262,437	4,226,200
		-----	-----
		3,474,810	4,850,665
		-----	-----
	ENERGY AND UTILITIES: NATURAL GAS INTEGRATED -- 7.6%		
180,000	El Paso Corp. ....	1,683,467	3,913,200

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1,000	Energen Corp. ....	66,090	78,030
40,000	EnergySouth Inc. ....	1,364,782	1,962,400
110,000	National Fuel Gas Co. ....	3,549,518	6,542,800
100,000	ONEOK Inc. ....	2,674,346	4,883,000
120,000	Southern Union Co. ....	2,059,886	3,242,400

	11,398,089	20,621,830
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### ENERGY AND UTILITIES: NATURAL GAS UTILITIES -- 6.0%

26,000	AGL Resources Inc. ....	643,173	899,080
50,000	Atmos Energy Corp. ....	1,241,257	1,378,500
10,000	Chesapeake Utilities Corp. ....	224,112	257,200
10,000	Corning Natural Gas Corp.+ ....	157,501	163,750
30,000	Delta Natural Gas Co. Inc. ....	502,057	783,600
90,000	Nicor Inc. ....	3,094,432	3,833,100
35,000	Piedmont Natural Gas Co. Inc. ....	553,257	915,600
6,000	RGC Resources Inc. ....	128,344	170,070
150,000	Southwest Gas Corp. ....	4,133,813	4,459,500
120,000	Spectra Energy Corp. ....	3,280,847	3,448,800

	13,958,793	16,309,200
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### ENERGY AND UTILITIES: NATURAL RESOURCES -- 1.3%

4,000	Anadarko Petroleum Corp. ....	141,060	299,360
19,000	Compania de Minas Buenaventura SA, ADR ....	423,453	1,242,030
16,000	Exxon Mobil Corp. ....	926,773	1,410,080
3,000	Peabody Energy Corp. ....	112,745	264,150
4,000	Royal Dutch Shell plc, Cl. A, ADR ....	237,320	326,840

	1,841,351	3,542,460
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### ENERGY AND UTILITIES: SERVICES -- 0.5%

50,000	ABB Ltd., ADR+ ....	546,150	1,416,000
9,000	Renegy Holdings Inc.+ ....	109,212	34,110

	655,362	1,450,110
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SHARES

COST

MARKET  
VALUE

ENERGY AND UTILITIES: WATER -- 2.7%			
14,000	American States Water Co. ....	\$ 312,701	\$ 489,160
30,000	American Water Works Co. Inc.+ ....	645,000	665,400
21,833	Aqua America Inc. ....	221,008	348,673
24,750	Artesian Resources Corp., Cl. A ....	257,250	455,152
20,000	California Water Service Group ....	555,152	655,400
7,500	Connecticut Water Service Inc. ....	146,455	168,000
51,333	Middlesex Water Co. ....	801,882	851,614
27,100	Pennichuck Corp. ....	544,307	627,365
80,000	SJW Corp. ....	1,482,532	2,112,000
8,101	Southwest Water Co. ....	52,047	81,172
12,000	Suez SA ....	387,529	820,355
12,000	Suez SA, Strips+ ....	0	189
9,000	York Water Co. ....	108,269	131,130

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		5,514,132	7,405,610
	DIVERSIFIED INDUSTRIAL -- 0.9%		
1,000	Alstom .....	218,220	230,926
4,000	Bouygues SA .....	318,201	265,516
8,000	Cooper Industries Ltd., Cl. A .....	300,920	316,000
55,000	General Electric Co. ....	2,050,870	1,467,950
		2,888,211	2,280,392
	EQUIPMENT AND SUPPLIES -- 0.1%		
50,000	Capstone Turbine Corp.+ .....	83,080	209,500
2,000	Mueller Industries Inc. ....	88,019	64,400
		171,099	273,900
	TOTAL ENERGY AND UTILITIES	170,855,836	212,163,854
	COMMUNICATIONS -- 9.9%		
	CABLE AND SATELLITE -- 3.0%		
80,000	Cablevision Systems Corp., Cl. A+ .....	2,137,532	1,808,000
5,000	Cogeco Cable Inc. ....	105,008	181,426
20,000	Cogeco Inc. ....	389,461	608,022
50,000	DISH Network Corp., Cl. A+ .....	1,279,475	1,464,000
10,000	EchoStar Corp., Cl. A+ .....	280,861	312,200
35,000	Liberty Global Inc., Cl. A+ .....	739,454	1,100,050
20,000	Liberty Global Inc., Cl. C+ .....	421,966	607,200
8,000	Rogers Communications Inc., Cl. B .....	119,139	309,280
65,000	The DIRECTV Group Inc.+ .....	1,080,493	1,684,150
2,112	Zon Multimedia Servicos de Telecomunicacoes e Multimedia SGPS SA .....	20,761	17,557
		6,574,150	8,091,885

See accompanying notes to financial statements.

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THE GABELLI UTILITY TRUST  
SCHEDULE OF INVESTMENTS (CONTINUED)  
JUNE 30, 2008 (UNAUDITED)

SHARES/ UNITS		COST	MARKET VALUE
	COMMON STOCKS (CONTINUED)		
	COMMUNICATIONS (CONTINUED)		
	COMMUNICATIONS EQUIPMENT -- 0.4%		
260,000	The Furukawa Electric Co. Ltd. ....	\$ 1,199,164	\$ 1,128,785



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TELECOMMUNICATIONS -- 3.8%			
45,00	AT&T Inc. ....	1,183,996	1,516,050
4,350	Bell Aliant Regional Communications Income Fund+ (a) (b) .....	117,218	126,498
30,000	BT Group plc, ADR .....	1,026,589	1,191,900
2,000	CenturyTel Inc. ....	77,820	71,180
230,000	Cincinnati Bell Inc.+ .....	1,028,373	915,400
10,000	Citizens Communications Co. ....	136,800	113,400
500	Comstar United Telesystems OJSC, GDR+ .....	6,453	5,000
500	Comstar United Telesystems OJSC, GDR .....	5,628	5,000
20,000	D&E Communications Inc. ....	190,498	177,800
35,000	Deutsche Telekom AG, ADR .....	629,965	572,950
2,168	FairPoint Communications Inc. ....	21,563	15,631
2,000	France Telecom SA, ADR .....	22,799	59,260
200	Hutchison Telecommunications International Ltd.+ .....	163	284
500	Mobistar SA .....	44,141	40,503
200	Nippon Telegraph & Telephone Corp. ....	929,640	979,423
15,000	Portugal Telecom SGPS SA .....	210,164	170,277
200	PT Indosat Tbk .....	128	146
500	Rostelecom, ADR .....	32,190	36,265
500	Sistema JSFC, GDR .....	17,383	15,030
1,200	Tele2 AB, Cl. B .....	14,604	23,512
5,000	Telecom Italia SpA, ADR .....	147,227	99,800
40,000	Touch America Holdings Inc.+ (a) .....	38,488	0
115,000	Verizon Communications Inc. ....	4,291,018	4,071,000
		10,172,848	10,206,309
WIRELESS COMMUNICATIONS -- 2.7%			
600	America Movil SAB de CV, Cl. L, ADR .....	9,424	31,650
2,000	China Mobile Ltd., ADR .....	33,988	133,900
2,000	China Unicom Ltd., ADR .....	16,278	37,040
4,500	Mobile TeleSystems OJSC, ADR .....	175,074	344,745
171	MobileOne Ltd. ....	210	236
1,200	NTT DoCoMo Inc. ....	1,732,443	1,762,961
3,000	QUALCOMM Inc. ....	115,589	133,110
50,000	Rural Cellular Corp., Cl. A+ .....	2,203,484	2,225,500
600	SK Telecom Co. Ltd., ADR .....	12,374	12,462

SHARES		COST	MARKET VALUE
200	SmarTone Telecommunications Holdings Ltd. ....	\$ 207	\$ 206
10,000	Turkcell Iletisim Hizmet A/S, ADR .....	207,432	145,500
29,000	United States Cellular Corp.+ .....	1,391,580	1,639,950
28,000	Vimpel-Communications, ADR .....	182,186	831,040

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		6,080,269	7,298,300
		-----	-----
	TOTAL COMMUNICATIONS .....	24,026,431	26,725,279
		-----	-----
	OTHER -- 1.9%		
	AEROSPACE -- 0.2%		
65,000	Rolls-Royce Group plc+ .....	513,387	442,137
5,824,000	Rolls-Royce Group plc, Cl. B .....	11,568	11,601
		-----	-----
		524,955	453,738
		-----	-----
	AGRICULTURE -- 0.0%		
2,000	Cadiz Inc.+ .....	23,688	32,240
		-----	-----
	AUTOMOTIVE: PARTS AND ACCESSORIES -- 0.0%		
1,000	BERU AG. ....	106,092	117,769
		-----	-----
	ENTERTAINMENT -- 1.4%		
90,000	Time Warner Inc. ....	1,663,362	1,332,000
65,000	Vivendi. ....	2,444,738	2,466,385
		-----	-----
		4,108,100	3,798,385
		-----	-----
	PUBLISHING -- 0.0%		
8,000	Idearc Inc. ....	29,814	18,800
		-----	-----
	REAL ESTATE -- 0.1%		
6,075	Brookfield Asset Management Inc., Cl. A .....	65,353	197,681
		-----	-----
	TRANSPORTATION -- 0.2%		
13,000	GATX Corp. ....	395,808	576,290
		-----	-----
	TOTAL OTHER .....	5,253,810	5,194,903
		-----	-----
	TOTAL COMMON STOCKS .....	200,136,077	244,084,036
		-----	-----
	CONVERTIBLE PREFERRED STOCKS -- 1.8%		
	ENERGY AND UTILITIES -- 1.3%		
	ENERGY AND UTILITIES: NATURAL GAS INTEGRATED -- 1.3%		
2,000	El Paso Corp., 4.990% Cv. Pfd. (b) .....	1,945,987	3,453,166
		-----	-----
	COMMUNICATIONS -- 0.5%		
	TELECOMMUNICATIONS -- 0.5%		
30,000	Citizens Utilities Trust, 5.000% Cv. Pfd. ....	1,490,995	1,440,000
		-----	-----
	TOTAL CONVERTIBLE PREFERRED STOCKS .....	3,436,982	4,893,166
		-----	-----

See accompanying notes to financial statements.

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JUNE 30, 2008 (UNAUDITED)

PRINCIPAL AMOUNT		COST	MARKET VALUE
	CORPORATE BONDS -- 0.0%		
	COMMUNICATIONS -- 0.0%		
	TELECOMMUNICATIONS -- 0.0%		
\$ 100,000	Williams Communications Group Inc., Escrow, 10.875%, 10/01/09+ (a) .....	\$ 0	\$ 0

SHARES			
	WARRANTS -- 0.2%		
	ENERGY AND UTILITIES -- 0.2%		
	ENERGY AND UTILITIES: MERCHANT ENERGY -- 0.2%		
2,024	Calpine Corp., Ser. A, expire 08/25/08+ .....	52,600	972
26,107	Mirant Corp., Ser. A, expire 01/03/11+ .....	51,616	468,098
		104,216	469,070
	ENERGY AND UTILITIES: NATURAL GAS UTILITIES -- 0.0%		
3,000	Corning Natural Gas Corp., expire 08/17/11+ .....	0	6,180
	TOTAL ENERGY AND UTILITIES .....	104,216	475,250
	COMMUNICATIONS -- 0.0%		
	WIRELESS COMMUNICATIONS -- 0.0%		
6,000	Bharti Airtel Ltd., expire 12/15/16+ (b) .....	132,281	100,853
	TOTAL WARRANTS .....	236,497	576,103

PRINCIPAL AMOUNT		COST	MARKET VALUE
	U.S. GOVERNMENT OBLIGATIONS -- 7.9%		
	U.S. TREASURY BILLS -- 5.3%		
\$ 14,456,000	U.S. Treasury Bills, 1.203% to 1.869%+, 07/03/08 to 10/09/08 .....	\$ 14,426,880	\$ 14,425,966
	U.S. TREASURY NOTES -- 2.6%		
6,864,000	U.S. Treasury Note,		

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5.000%, 07/31/08 .....	6,880,180	6,880,180
	-----	-----
TOTAL U.S. GOVERNMENT OBLIGATIONS ..	21,307,060	21,306,146
	-----	-----
TOTAL INVESTMENTS -- 100.0% .....	\$225,116,616	270,859,451
	=====	
OTHER ASSETS AND LIABILITIES (NET) .....		(234,116)
PREFERRED SHARES		
(1,184,700 preferred shares outstanding) .....		(54,592,500)
		-----
NET ASSETS -- COMMON SHARES		
(30,200,327 common shares outstanding) .....		\$216,032,835
		=====
NET ASSET VALUE PER COMMON SHARE		
(\$216,032,835 /30,200,327 shares		
outstanding) .....		\$ 7.15
		=====

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(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 June 30, 2008, the market value of fair valued securities amounted to \$1,543,065 or 0.57% 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 June 30, 2008, the market value of Rule 144A securities amounted to \$3,680,517 or 1.36% of total investments.

+ 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  
JUNE 30, 2008 (UNAUDITED)

ASSETS:

Investments, at value (cost \$225,116,616) .....	\$270,859,451
Foreign currency, at value (cost \$29,151) .....	29,141
Cash .....	860
Receivable for investments sold .....	10,561
Dividends and interest receivable .....	621,309
Deferred offering expense .....	14,361

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Prepaid expense .....	4,036
	-----
TOTAL ASSETS .....	271,539,719
	-----
<b>LIABILITIES:</b>	
Distributions payable .....	39,540
Unrealized depreciation on swap contracts .....	311,715
Payable for investment advisory fees .....	183,346
Payable for payroll expenses .....	141,324
Payable for accounting fees .....	3,751
Payable for shareholder communications expenses .....	124,314
Payable for legal and audit fees .....	49,418
Other accrued expenses .....	60,976
	-----
TOTAL LIABILITIES .....	914,384
	-----
<b>PREFERRED SHARES:</b>	
Series A Cumulative Preferred Shares (5.625%, \$25 liquidation value, \$0.001 par value, 1,200,000 shares authorized with 1,183,700 shares issued and outstanding) ..	29,592,500
Series B Cumulative Preferred Shares (Auction Market, \$25,000 liquidation value, \$0.001 par value, 1,000 shares authorized with 1,000 shares issued and outstanding) .....	25,000,000
	-----
TOTAL PREFERRED SHARES .....	54,592,500
	-----
NET ASSETS ATTRIBUTABLE TO COMMON SHAREHOLDERS .....	\$216,032,835
	=====
<b>NET ASSETS ATTRIBUTABLE TO COMMON SHAREHOLDERS CONSIST OF:</b>	
Paid-in capital, at \$ 0.001 par value .....	\$171,841,828
Accumulated distributions in excess of net investment income .....	(230,825)
Accumulated distributions in excess of net realized gain on investments, swap contracts, and foreign currency transactions .....	(1,010,056)
Net unrealized appreciation on investments .....	45,742,835
Net unrealized depreciation on swap contracts .....	(311,715)
Net unrealized appreciation on foreign currency translations .....	768
	-----
NET ASSETS .....	\$216,032,835
	=====
<b>NET ASSET VALUE PER COMMON SHARE:</b>	
(\$216,032,835 / 30,200,327 shares outstanding; unlimited number of shares authorized) .....	\$ 7.15
	=====

### STATEMENT OF OPERATIONS FOR THE SIX MONTHS ENDED JUNE 30, 2008 (UNAUDITED)

<b>INVESTMENT INCOME:</b>	
Dividends (net of foreign taxes of \$71,267) .....	\$ 3,827,367
Interest .....	350,047
	-----
TOTAL INVESTMENT INCOME .....	4,177,414
	-----
<b>EXPENSES:</b>	
Investment advisory fees .....	1,368,698
Shareholder communications expenses .....	166,090

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Payroll expenses .....	108,577
Shareholder services fees .....	90,163
Legal and audit fees .....	41,836
Trustees' fees .....	36,027
Auction agent expenses .....	31,720
Accounting fees .....	22,500
Custodian fees .....	21,394
Interest expense .....	49
Miscellaneous expenses .....	40,253
	-----
TOTAL EXPENSES .....	1,927,307
Less:	
Advisory fee reduction .....	(271,471)
Custodian fee credits .....	(275)
	-----
NET EXPENSES .....	1,655,561
	-----
NET INVESTMENT INCOME .....	2,521,853
	-----
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS, SWAP CONTRACTS, AND FOREIGN CURRENCY:	
Net realized loss on investments .....	(62,986)
Net realized loss on swap contracts .....	(175,337)
Net realized loss on foreign currency transactions .....	(7,428)
	-----
Net realized loss on investments, swap contracts, and foreign currency transactions .....	(245,751)
	-----
Net change in unrealized appreciation/depreciation:	
on investments .....	(20,918,240)
on swap contracts .....	(225,614)
on foreign currency translations .....	432
	-----
Net change in unrealized appreciation/depreciation on investments, swap contracts, and foreign currency translations .....	(21,143,422)
	-----
NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS, SWAP CONTRACTS, AND FOREIGN CURRENCY .....	(21,389,173)
	-----
NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS .....	(18,867,320)
Total Distributions to Preferred Shareholders .....	(1,354,358)
	-----
NET DECREASE IN NET ASSETS ATTRIBUTABLE TO COMMON SHAREHOLDERS RESULTING FROM OPERATIONS .....	\$ (20,221,678)
	=====

See accompanying notes to financial statements.

THE GABELLI UTILITY TRUST

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO COMMON SHAREHOLDERS

SIX MONTHS

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	ENDED JUNE 30, 2008 (UNAUDITED)	
	-----	
OPERATIONS:		
Net investment income .....	\$ 2,521,853	\$
Net realized gain (loss) on investments, swap contracts, and foreign currency transactions .....	(245,751)	
Net change in unrealized appreciation/depreciation on investments, swap contracts, and foreign currency translations .....	(21,143,422)	
	-----	
NET INCREASE (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS .....	(18,867,320)	
	-----	
DISTRIBUTIONS TO PREFERRED SHAREHOLDERS:		
Net investment income .....	(1,354,358) *	
Net realized short-term gain on investments, swap contracts, and foreign currency transactions .....	--	
Net realized long-term gain on investments, swap contracts, and foreign currency transactions .....	--	
	-----	
TOTAL DISTRIBUTIONS TO PREFERRED SHAREHOLDERS .....	(1,354,358)	
	-----	
NET INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO COMMON SHAREHOLDERS RESULTING FROM OPERATIONS .....	(20,221,678)	
	-----	
DISTRIBUTIONS TO COMMON SHAREHOLDERS:		
Net investment income .....	(1,167,495) *	
Net realized short-term gain on investments, swap contracts, and foreign currency transactions .....	--	
Net realized long-term gain on investments, swap contracts, and foreign currency transactions .....	--	
Return of capital .....	(9,667,147) *	
	-----	
TOTAL DISTRIBUTIONS TO COMMON SHAREHOLDERS .....	(10,834,642)	
	-----	
FUND SHARE TRANSACTIONS:		
Net increase in net assets from common shares issued upon reinvestment of distributions .....	1,472,032	
Net increase in net assets from repurchase of preferred shares .....	--	
	-----	
NET INCREASE IN NET ASSETS FROM FUND SHARE TRANSACTIONS .....	1,472,032	
	-----	
NET INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO COMMON SHAREHOLDERS .....	(29,584,288)	
NET ASSETS ATTRIBUTABLE TO COMMON SHAREHOLDERS:		
Beginning of period .....	245,617,123	
	-----	
End of period (including undistributed net investment income of \$0 and \$0, respectively) .....	\$216,032,835	\$
	=====	

\* Based on fiscal year to date book income. Amounts are subject to change and recharacterization at fiscal year end.

See accompanying notes to financial statements.

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## THE GABELLI UTILITY TRUST FINANCIAL HIGHLIGHTS

	SIX MONTHS ENDED JUNE 30, 2008 (UNAUDITED)	2007	2006	YEAR ENDED DE 2005
	-----	-----	-----	-----
SELECTED DATA FOR A SHARE OF BENEFICIAL INTEREST OUTSTANDING THROUGHOUT EACH PERIOD:				
OPERATING PERFORMANCE:				
Net asset value, beginning of period .....	\$ 8.18	\$ 8.19	\$ 6.98	\$ 7.14
Net investment income .....	0.08	0.19	0.17	0.18
Net realized and unrealized gain (loss) on investments .....	(0.72)	0.61	1.84	0.45
Total from investment operations .....	(0.64)	0.80	2.01	0.63
DISTRIBUTIONS TO PREFERRED SHAREHOLDERS: (a)				
Net investment income .....	(0.04) *	(0.03)	(0.02)	(0.02)
Net realized gain on investments .....	--	(0.07)	(0.08)	(0.07)
Total distributions to preferred shareholders .....	(0.04)	(0.10)	(0.10)	(0.09)
NET INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO COMMON SHAREHOLDERS RESULTING FROM OPERATIONS .....				
	(0.68)	0.70	1.91	0.54
DISTRIBUTIONS TO COMMON SHAREHOLDERS:				
Net investment income .....	(0.04) *	(0.16)	(0.16)	(0.14)
Net realized gain on investments .....	--	(0.33)	(0.56)	(0.58)
Paid-in capital .....	(0.32) *	(0.23)	--	--
Total distributions to common shareholders ....	(0.36)	(0.72)	(0.72)	(0.72)
FUND SHARE TRANSACTIONS:				
Increase in net asset value from common share transactions .....	0.01	0.01	0.02	0.02
Increase (decrease) in net asset value from shares issued in rights offering .....	--	--	--	--
Increase in net asset value from repurchase of preferred shares .....	--	0.00 (g)	--	--
Offering costs for preferred shares charged to paid-in capital .....	--	--	--	0.00
Offering costs for issuance of rights charged to paid-in capital .....	--	--	0.00 (g)	(0.00)
Total fund share transactions .....	0.01	0.01	0.02	0.02
NET ASSET VALUE ATTRIBUTABLE TO COMMON SHAREHOLDERS, END OF PERIOD .....				
	\$ 7.15	\$ 8.18	\$ 8.19	\$ 6.98
Net asset value total return + .....	(8.93) %	8.08%	27.46%	5.71
Market value, end of period .....	\$ 9.30	\$ 9.50	\$ 9.94	\$ 9.27



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Investment total return ++ .....	1.99%	3.42%	16.47%	7.79%
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See accompanying notes to financial statements.

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THE GABELLI UTILITY TRUST  
FINANCIAL HIGHLIGHTS (CONTINUED)

	SIX MONTHS	YEAR ENDED DE		
	ENDED JUNE 30, 2008 (UNAUDITED)	2007	2006	2005
SELECTED DATA FOR A SHARE OF BENEFICIAL INTEREST OUTSTANDING THROUGHOUT EACH PERIOD:				
RATIOS AND SUPPLEMENTAL DATA:				
Net assets including liquidation value of preferred shares, end of period (in 000's) .....	\$270,626	\$300,210	\$297,511	\$259,3
Net assets attributable to common shares, end of period (in 000's) .....	\$216,033	\$245,617	\$242,906	\$204,6
Ratio of net investment income to average net assets attributable to common shares before preferred share distributions .....	2.29% (f)	2.03%	2.24%	2.
Ratio of operating expenses to average net assets attributable to common shares net of advisory fee reduction, if any (b)(c) .....	1.51% (f)	1.63%	1.75%	1.
Ratio of operating expenses to average net assets including liquidation value of preferred shares net of advisory fee reduction, if any (b)(c) .....	1.21% (f)	1.34%	1.40%	1.
Portfolio turnover rate +++ .....	3%	13%	33%	
PREFERRED SHARES:				
5.625% SERIES A CUMULATIVE PREFERRED SHARES				
Liquidation value, end of period (in 000's) ...	\$ 29,593	\$ 29,593	\$ 29,605	\$ 29,6
Total shares outstanding (in 000's) .....	1,184	1,184	1,184	1,1
Liquidation preference per share .....	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.
Average market value (d) .....	\$ 23.71	\$ 23.36	\$ 23.80	\$ 25.
Asset coverage per share .....	\$ 123.93	\$ 137.48	\$ 136.21	\$ 118.
SERIES B AUCTION MARKET CUMULATIVE PREFERRED SHARES				
Liquidation value, end of period (in 000's) ...	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,0
Total shares outstanding (in 000's) .....	1	1	1	
Liquidation preference per share .....	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,0
Average market value (d) .....	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,0
Asset coverage per share .....	\$123,930	\$137,478	\$136,210	\$118,7
ASSET COVERAGE (e) .....	496%	550%	545%	4

+ Based on net asset value per share, adjusted for reinvestment of distributions at prices obtained under the Fund's dividend reinvestment

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plan, including the effect of shares issued pursuant to 2004 and 2003 rights offerings, assuming full subscription by shareholder. Total return for a period of less than one year is not annualized.

- ++ Based on market value per share, adjusted for reinvestment of distributions at prices obtained under the Fund's dividend reinvestment plan, including the effect of shares issued pursuant to 2004 and 2003 rights offerings, assuming full subscription by shareholder. Total return for a period of less than one year is not annualized.
- +++ Effective in 2008, a change in accounting policy was adopted with regard to the calculation of the portfolio turnover rate. Had this policy been adopted retroactively, the portfolio turnover rate for the fiscal years ended December 31, 2007, 2006, 2005, 2004, and 2003 would have been 29%, 34%, 29%, 30%, and 32%, respectively.
- \* Based on fiscal year to date book income. Amounts are subject to change and recharacterization at fiscal year end.
- (a) Calculated based upon average common shares outstanding on the record dates throughout the period.
- (b) The ratios do not include a reduction of expenses for custodian fee credits on cash balances maintained with the custodian. Including such custodian fee credits for the fiscal year ended December 31, 2007, the ratios of operating expenses to average net assets attributable to common shares net of advisory fee reduction would have been 1.63% and the ratios of operating expenses to average net assets including liquidation value of preferred shares net of fee reduction would have been 1.33%. For the six months ended June 30, 2008 and the fiscal years ended December 31, 2006, 2005, 2004, and 2003, the effect of the custodian fee credits was minimal.
- (c) The Fund incurred interest expense during the fiscal year ended December 31, 2007. If interest expense had not been incurred, the ratios of operating expenses to average net assets attributable to common shares would have been 1.62% and the ratios of operating expenses to average net assets including liquidation value of preferred shares would have been 1.33%. For the six months ended June 30, 2008, the effect of interest expense was minimal.
- (d) Based on weekly prices.
- (e) Asset coverage is calculated by combining all series of preferred shares.
- (f) Annualized.
- (g) Amount represents less than \$0.005 per share.

See accompanying notes to financial statements.

### THE GABELLI UTILITY TRUST NOTES TO FINANCIAL STATEMENTS (UNAUDITED)

1. ORGANIZATION. The Gabelli Utility Trust (the "Fund") is a non-diversified closed-end management investment company organized as a Delaware statutory trust on February 25, 1999 and registered under the Investment Company Act of 1940, as amended (the "1940 Act"). Investment operations commenced on July 9, 1999.

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The Fund's primary objective is long-term growth of capital and income. The Fund will invest 80% of its assets, under normal market conditions, in common stocks and other securities of foreign and domestic companies involved in providing products, services, or equipment for (i) the generation or distribution of electricity, gas, and water and (ii) telecommunications services or infrastructure operations (the "80% Policy"). The 80% Policy may be changed without shareholder approval. However, the Fund has adopted a policy to provide shareholders with notice at least 60 days prior to the implementation of any change in the 80% Policy.

2. SIGNIFICANT ACCOUNTING POLICIES. The preparation of financial statements in accordance with United States ("U.S.") generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates. The following is a summary of significant accounting policies followed by the Fund in the preparation of its financial statements.

SECURITY VALUATION. Portfolio securities listed or traded on a nationally recognized securities exchange or traded in the U.S. over-the-counter market for which market quotations are readily available are valued at the last quoted sale price or a market's official closing price as of the close of business on the day the securities are being valued. If there were no sales that day, the security is valued at the average of the closing bid and asked prices or, if there were no asked prices quoted on that day, then the security is valued at the closing bid price on that day. If no bid or asked prices are quoted on such day, the security is valued at the most recently available price or, if the Board of Trustees (the "Board") so determines, by such other method as the Board shall determine in good faith to reflect its fair market value. Portfolio securities traded on more than one national securities exchange or market are valued according to the broadest and most representative market, as determined by Gabelli Funds, LLC (the "Adviser").

Portfolio securities primarily traded on a foreign market are generally valued at the preceding closing values of such securities on the relevant market, but may be fair valued pursuant to procedures established by the Board if market conditions change significantly after the close of the foreign market but prior to the close of business on the day the securities are being valued. Debt instruments with remaining maturities of 60 days or less that are not credit impaired are valued at amortized cost, unless the Board determines such amount does not reflect the securities' fair value, in which case these securities will be fair valued as determined by the Board. Debt instruments having a maturity greater than 60 days for which market quotations are readily available are valued at the average of the latest bid and asked prices. If there were no asked prices quoted on such day, the security is valued using the closing bid price. Futures contracts are valued at the closing settlement price of the exchange or board of trade on which the applicable contract is traded.

Securities and assets for which market quotations are not readily available are fair valued as determined by the Board. Fair valuation methodologies and procedures may include, but are not limited to: analysis and review of available financial and non-financial information about the company; comparisons to the valuation and changes in valuation of similar securities, including a comparison of foreign securities to the equivalent U.S. dollar value ADR securities at the close of the U.S. exchange; and evaluation of any other information that could be indicative of the value of the security.

On January 1, 2008, the Fund adopted Statement of Financial Accounting Standard No. 157, "Fair Value Measurements" ("SFAS 157") that clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value, and requires additional disclosures about the use of fair value measurements. The three levels of the fair value hierarchy under SFAS 157 are described below:

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- Level 1 - quoted prices in active markets for identical securities;

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THE GABELLI UTILITY TRUST  
NOTES TO FINANCIAL STATEMENTS (CONTINUED) (UNAUDITED)

- Level 2 - other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.); and
- Level 3 - significant unobservable inputs (including the Fund's determinations as to the fair value of investments).

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The summary of inputs used to value the Fund's net assets as of June 30, 2008 is as follows:

VALUATION INPUTS	INVESTMENTS IN SECURITIES (MARKET VALUE)	OTHER FINANCIAL INSTRUMENTS (UNREALIZED DEPRECIATION) *
Level 1 - Quoted Prices .....	\$248,136,738	--
Level 2 - Other Significant Observable Inputs ..	22,709,513	\$(311,715)
Level 3 - Significant Unobservable Inputs .....	13,200	--
TOTAL .....	\$270,859,451	\$(311,715)

\* Other financial instruments are derivative instruments not reflected in the Schedule of Investments, such as futures, forwards, and swaps which are valued at the unrealized appreciation/depreciation on the investment.

The following is a reconciliation of Level 3 investments for which significant unobservable inputs were used to determine fair value:

	INVESTMENTS IN SECURITIES (MARKET VALUE)
BALANCE AS OF 12/31/07.....	\$13,200
Accrued discounts/premiums.....	--
Realized gain (loss).....	--
Change in unrealized appreciation/depreciation.....	--
Net purchases (sales).....	--
Transfers in and/or out of Level 3.....	--
BALANCE AS OF 06/30/08.....	\$13,200

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In March 2008, The Financial Accounting Standards Board (The "FASB") issued Statement of Financial Accounting Standard No. 161, "Disclosures about Derivative Instruments and Hedging Activities" ("SFAS 161") that is effective for fiscal years beginning after November 15, 2008. SFAS 161 is intended to improve financial reporting for derivative instruments by requiring enhanced disclosure that enables investors to understand how and why an entity uses derivatives, how derivatives are accounted for, and how derivative instruments affect an entity's results of operations and financial position. Management is currently evaluating the implications of SFAS 161 on the Fund's financial statement disclosures.

REPURCHASE AGREEMENTS. The Fund may enter into repurchase agreements with primary government securities dealers recognized by the Federal Reserve Board, with member banks of the Federal Reserve System, or with other brokers or dealers that meet credit guidelines established by the Adviser and reviewed by the Board. Under the terms of a typical repurchase agreement, the Fund takes possession of an underlying debt obligation subject to an obligation of the seller to repurchase, and the Fund to resell, the obligation at an agreed-upon price and time, thereby determining the yield during the Fund's holding period. The Fund will always receive and maintain securities as collateral whose market value, including accrued interest, will be at least equal to 102% of the dollar amount invested by the Fund in each agreement. The Fund will make payment for such securities only upon physical delivery or upon evidence of book entry transfer of the collateral to the account of the custodian. To the extent that any repurchase transaction exceeds one business day, the value of the collateral is marked-to-market on a daily basis to maintain the adequacy of the collateral. If the seller defaults and the value of the collateral declines or if bankruptcy proceedings are commenced with respect to the seller of the security, realization of the collateral by the Fund may be delayed or limited. At June 30, 2008, there were no open repurchase agreements.

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### THE GABELLI UTILITY TRUST NOTES TO FINANCIAL STATEMENTS (CONTINUED) (UNAUDITED)

SWAP AGREEMENTS. The Fund may enter into equity, contract for differences, and interest rate swap or cap transactions. The use of swaps and caps is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary portfolio transactions. Swap agreements may involve, to varying degrees, elements of market and counterparty risk, and exposure to loss in excess of the related amounts reflected in the Statement of Assets and Liabilities. In an interest rate swap, the Fund would agree to pay to the other party to the interest rate swap (which is known as the "counterparty") periodically a fixed rate payment in exchange for the counterparty agreeing to pay to the Fund periodically a variable rate payment that is intended to approximate the Fund's variable rate payment obligation on the Series B Preferred Shares. In an interest rate cap, the Fund would pay a premium to the counterparty and, to the extent that a specified variable rate index exceeds a predetermined fixed rate, would receive from the counterparty payments of the difference based on the notional amount of such cap. In an equity swap, a set of future cash flows are exchanged between two counterparties. One of these cash flow streams will typically be based on a reference interest rate combined with the performance of a notional value of shares of a stock. The other will be based on the performance of the shares of a stock. Swap and cap transactions introduce additional risk because the Fund would remain obligated to pay preferred stock dividends when due in accordance

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with the Statement of Preferences even if the counterparty defaulted. If there is a default by the counterparty to a swap contract, the Fund will be limited to contractual remedies pursuant to the agreements related to the transaction. There is no assurance that the swap contract counterparties will be able to meet their obligations pursuant to the swap contracts or that, in the event of default, the Fund will succeed in pursuing contractual remedies. The Fund thus assumes the risk that it may be delayed in or prevented from obtaining payments owed to it pursuant to the swap contracts. The creditworthiness of the swap contract counterparties is closely monitored in order to minimize this risk. Depending on the general state of short-term interest rates and the returns on the Fund's portfolio securities at that point in time, such a default could negatively affect the Fund's ability to make dividend payments. In addition, at the time an interest rate swap or cap transaction reaches its scheduled termination date, there is a risk that the Fund will not be able to obtain a replacement transaction or that the terms of the replacement will not be as favorable as on the expiring transaction. If this occurs, it could have a negative impact on the Fund's ability to make dividend payments.

The use of derivative instruments involves, to varying degrees, elements of market and counterparty risk in excess of the amount recognized below.

Unrealized gains related to swaps are reported as an asset and unrealized losses are reported as a liability in the Statement of Assets and Liabilities. The change in the value of swaps, including the accrual of periodic amounts of interest to be paid or received on swaps, is reported as unrealized gains or losses in the Statement of Operations. A realized gain or loss is recorded upon payment or receipt of a periodic payment or termination of swap agreements.

The Fund has entered into an interest rate swap agreement with Citibank N.A. Under the agreement, the Fund receives a floating rate of interest and pays a respective fixed rate of interest on the nominal value of the swap. Details of the swap at June 30, 2008 are as follows:

NOTIONAL AMOUNT	FIXED RATE	FLOATING RATES* (RATE RESET MONTHLY)	TERMINATION DATE	NET UNREALIZED DEPRECIATION
\$25,000,000	4.00%	2.45938%	06/02/10	\$(291,439)

\* Based on Libor (London Interbank Offered Rate).

The Fund has entered into a contract for differences swap agreement with Bear Stearns International Limited. Details of the swap at June 30, 2008 is as follows:

NOTIONAL AMOUNT	EQUITY SECURITY RECEIVED	INTEREST RATE/ EQUITY SECURITY PAID	TERMINATION DATE
\$257,465 (35,000 shares)	Market Value Appreciation on: Rolls-Royce Group plc	Overnight LIBOR plus 40 bps plus Market Value Depreciation on: Rolls-Royce Group plc	10/15/08

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### THE GABELLI UTILITY TRUST NOTES TO FINANCIAL STATEMENTS (CONTINUED) (UNAUDITED)

FUTURES CONTRACTS. The Fund may engage in futures contracts for the purpose of hedging against changes in the value of its portfolio securities and in the value of securities it intends to purchase. Upon entering into a futures contract, the Fund is required to deposit with the broker an amount of cash or cash equivalents equal to a certain percentage of the contract amount. This is known as the "initial margin." Subsequent payments ("variation margin") are made or received by the Fund each day, depending on the daily fluctuations in the value of the contract, which are included in unrealized appreciation/depreciation on investments and futures contracts. The Fund recognizes a realized gain or loss when the contract is closed.

There are several risks in connection with the use of futures contracts as a hedging instrument. The change in value of futures contracts primarily corresponds with the value of their underlying instruments, which may not correlate with the change in value of the hedged investments. In addition, there is the risk that the Fund may not be able to enter into a closing transaction because of an illiquid secondary market. At June 30, 2008, there were no open futures contracts.

FORWARD FOREIGN EXCHANGE CONTRACTS. The Fund may engage in forward foreign exchange contracts for hedging a specific transaction with respect to either the currency in which the transaction is denominated or another currency as deemed appropriate by the Adviser. Forward foreign exchange contracts are valued at the forward rate and are marked-to-market daily. The change in market value is included in unrealized appreciation/depreciation on investments and foreign currency translations. When the contract is closed, the Fund records a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed.

The use of forward foreign exchange contracts does not eliminate fluctuations in the underlying prices of the Fund's portfolio securities, but it does establish a rate of exchange that can be achieved in the future. Although forward foreign exchange contracts limit the risk of loss due to a decline in the value of the hedged currency, they also limit any potential gain that might result should the value of the currency increase. In addition, the Fund could be exposed to risks if the counterparties to the contracts are unable to meet the terms of their contracts. At June 30, 2008, there were no open forward foreign exchange contracts.

FOREIGN CURRENCY TRANSLATIONS. The books and records of the Fund are maintained in U.S. dollars. Foreign currencies, investments, and other assets and liabilities are translated into U.S. dollars at the current exchange rates. Purchases and sales of investment securities, income, and expenses are translated at the exchange rate prevailing on the respective dates of such transactions. Unrealized gains and losses that result from changes in foreign exchange rates and/or changes in market prices of securities have been included in unrealized appreciation/depreciation on investments and foreign currency translations. Net realized foreign currency gains and losses resulting from changes in exchange rates include foreign currency gains and losses between trade date and settlement date on investment securities transactions, foreign currency transactions, and the difference between the amounts of interest and dividends recorded on the books of the Fund and the amounts actually received. The portion of foreign currency gains and losses related to fluctuation in exchange rates between the initial trade date and subsequent sale trade date is included in realized gain/(loss) on investments.

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FOREIGN SECURITIES. The Fund may directly purchase securities of foreign issuers. Investing in securities of foreign issuers involves special risks not typically associated with investing in securities of U.S. issuers. The risks include possible revaluation of currencies, the ability to repatriate funds, less complete financial information about companies, and possible future adverse political and economic developments. Moreover, securities of many foreign issuers and their markets may be less liquid and their prices more volatile than those of securities of comparable U.S. issuers.

FOREIGN TAXES. The Fund may be subject to foreign taxes on income, gains on investments, or currency repatriation, a portion of which may be recoverable. The Fund will accrue such taxes and recoveries as applicable, based upon its current interpretation of tax rules and regulations that exist in the markets in which it invests.

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### THE GABELLI UTILITY TRUST NOTES TO FINANCIAL STATEMENTS (CONTINUED) (UNAUDITED)

SECURITIES TRANSACTIONS AND INVESTMENT INCOME. Securities transactions are accounted for on the trade date with realized gain or loss on investments determined by using the identified cost method. Interest income (including amortization of premium and accretion of discount) is recorded on the accrual basis. Premiums and discounts on debt securities are amortized using the effective yield to maturity method. Dividend income is recorded on the ex-dividend date except for certain dividends which are recorded as soon as the Fund is informed of the dividend.

CUSTODIAN FEE CREDITS AND INTEREST EXPENSE. When cash balances are maintained in the custody account, the Fund receives credits which are used to offset custodian fees. The gross expenses paid under the custody arrangement are included in custodian fees in the Statement of Operations with the corresponding expense offset, if any, shown as "custodian fee credits." When cash balances are overdrawn, the Fund is charged an overdraft fee equal to 110% of the 90 day Treasury Bill rate. This amount, if any, would be shown as "interest expense" in the Statement of Operations.

DISTRIBUTIONS TO SHAREHOLDERS. Distributions to common shareholders are recorded on the ex-dividend date. Distributions to shareholders are based on income and capital gains as determined in accordance with federal income tax regulations, which may differ from income and capital gains as determined under U.S. generally accepted accounting principles. These differences are primarily due to differing treatments of income and gains on various investment securities and foreign currency transactions held by the Fund, timing differences, and differing characterizations of distributions made by the Fund. Distributions from net investment income include net realized gains on foreign currency transactions. These book/tax differences are either temporary or permanent in nature. To the extent these differences are permanent, adjustments are made to the appropriate capital accounts in the period when the differences arise. These reclassifications have no impact on the NAV of the Fund.

Distributions to shareholders of the Fund's 5.625% Series A Cumulative Preferred Shares and Series B Auction Market Cumulative Preferred Shares ("Cumulative Preferred Shares") are recorded on a daily basis and are determined as described in Note 5.

The tax character of distributions paid during the fiscal year ended December 31, 2007 was as follows:



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	COMMON	PREFERRED
	-----	-----
DISTRIBUTIONS PAID FROM:		
Ordinary income		
(inclusive of short-term capital gains) .....	\$ 5,894,993	\$1,213,076
Net long-term capital gains .....	8,616,251	1,773,057
Return of capital .....	6,966,691	--
	-----	-----
Total distributions paid .....	\$21,477,935	\$2,986,133
	=====	=====

PROVISION FOR INCOME TAXES. The Fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). It is the policy of the Fund to comply with the requirements of the Code applicable to regulated investment companies and to distribute substantially all of its net investment company taxable income and net capital gains. Therefore, no provision for federal income taxes is required.

At December 31, 2007, the components of accumulated earnings/(losses) on a tax basis were as follows:

Net unrealized appreciation on investments .....	\$65,827,316
Net unrealized depreciation on foreign currency and swap contracts .....	(85,765)
Other temporary differences* .....	(161,371)
	-----
Total .....	\$65,580,180
	=====

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\* Other temporary differences are primarily due to accrued income on swap gains.

The following summarizes the tax cost of investments, swap contracts, and the related unrealized appreciation/(depreciation) at June 30, 2008:

	COST	GROSS UNREALIZED APPRECIATION	GROSS UNREALIZED DEPRECIATION	NET UNREALIZED APPRECIATION (DEPRECIATION)
	-----	-----	-----	-----
Investments.....	\$226,070,933	\$51,684,521	\$ (6,896,003)	\$44,788,518
Swap contracts.....	--	--	(311,715)	(311,715)
	-----	-----	-----	-----
	\$226,070,933	\$51,684,521	\$ (7,207,718)	\$44,476,803
	=====	=====	=====	=====

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### THE GABELLI UTILITY TRUST NOTES TO FINANCIAL STATEMENTS (CONTINUED) (UNAUDITED)

FASB Interpretation No. 48, "Accounting for Uncertainty in Income Taxes, an Interpretation of FASB Statement No. 109" (the "Interpretation") established a minimum threshold for financial statement recognition of the benefit of positions taken in filing tax returns (including whether the Fund is taxable in a particular jurisdiction) and required certain expanded tax disclosures.

For the six months ended June 30, 2008, the Fund did not have any liability for any unrecognized tax benefits. The Fund recognizes interest and penalties, if any, related to unrecognized tax benefits as income tax expenses in the Statement of Operations. The Fund is not subject to examination by U.S. federal tax authorities for tax years before 2004 and by state tax authorities for tax years before 2003.

3. AGREEMENTS AND TRANSACTIONS WITH AFFILIATES. The Fund has entered into an investment advisory agreement (the "Advisory Agreement") with the Adviser which provides that the Fund will pay the Adviser a fee, computed weekly and paid monthly, equal on an annual basis to 1.00% of the value of its average weekly net assets including the liquidation value of the preferred stock. In accordance with the Advisory Agreement, the Adviser provides a continuous investment program for the Fund's portfolio and oversees the administration of all aspects of the Fund's business and affairs. The Adviser has agreed to reduce the management fee on the incremental assets attributable to the Cumulative Preferred Shares if the total return of the NAV of the common shares of the Fund, including distributions and advisory fee subject to reduction, does not exceed the stated dividend rate or corresponding swap rate of the Cumulative Preferred Shares for the fiscal year.

The Fund's total return on the NAV of the common shares is monitored on a monthly basis to assess whether the total return on the NAV of the common shares exceeds the stated dividend rate or corresponding swap rate of each particular series of Cumulative Preferred Shares for the period. For the six months ended June 30, 2008, the Fund's total return on the NAV of the common shares did not exceed the stated dividend rate or corresponding swap rate on any of the outstanding preferred shares. Thus, management fees with respect to the liquidation value of the preferred share assets were reduced by \$271,471.

During the six months ended June 30, 2008, the Fund paid brokerage commissions on security trades of \$11,403 to Gabelli & Company, Inc. ("Gabelli & Company"), an affiliate of the Adviser.

The cost of calculating the Fund's NAV per share is a Fund expense pursuant to the Advisory Agreement between the Fund and the Adviser. During the six months ended June 30, 2008, the Fund paid or accrued \$22,500 to the Adviser in connection with the cost of computing the Fund's NAV.

As per the approval of the Board, the Fund compensates officers of the Fund, who are employed by the Fund and are not employed by the Adviser (although the officers may receive incentive based variable compensation from affiliates of the Adviser) and pays its allocated portion of the cost of the Fund's Chief Compliance Officer. For the six months ended June 30, 2008, the Fund paid or accrued \$108,577, which is included in payroll expenses in the Statement of Operations.

The Fund pays each Trustee who is not considered to be an affiliated person an annual retainer of \$6,000 plus \$500 for each Board meeting attended and they are reimbursed for any out of pocket expenses incurred in attending meetings. All Board committee members receive \$500 per meeting attended. In addition, the Audit Committee Chairman receives an annual fee of \$3,000, the Nominating Committee Chairman receives an annual fee of \$2,000, and the Lead Trustee

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receives an annual fee of \$1,000. Trustees who are directors or employees of the Adviser or an affiliated company receive no compensation or expense reimbursement from the Fund.

4. PORTFOLIO SECURITIES. Purchases and proceeds from the sales of securities for the six months ended June 30, 2008, other than short-term securities and U.S. Government obligations, aggregated \$9,813,482 and \$6,425,489, respectively.

Purchases of U.S. Government obligations for the six months ended June 30, 2008, other than short-term obligations, aggregated \$6,958,380.

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### THE GABELLI UTILITY TRUST NOTES TO FINANCIAL STATEMENTS (CONTINUED) (UNAUDITED)

5. CAPITAL. The Fund is authorized to issue an unlimited number of shares of beneficial interest (par value \$0.001). The Board has authorized the repurchase of its common shares on the open market when the shares are trading at a discount of 10% or more (or such other percentage as the Board may determine from time to time) from the NAV of the shares. During the six months ended June 30, 2008, the Fund did not repurchase any common shares of beneficial interest in the open market.

Transactions in common shares of beneficial interest were as follows:

	SIX MONTHS ENDED JUNE 30, 2008 (UNAUDITED)		YEAR ENDED DECEMBER 31, 2007	
	SHARES	AMOUNT	SHARES	AMOUNT
Net increase from shares issued upon reinvestment of distributions .....	179,139	\$1,472,032	347,381	\$3,159,205

At the Fund's November 14, 2007 Board meeting, the Board approved the filing of a shelf registration with the SEC which will give the Fund the ability to offer additional preferred shares. The shelf registration was declared effective by the SEC on June 13, 2008.

The Fund is authorized to issue up to 2,005,000 shares of \$0.001 par value Cumulative Preferred Shares. The Cumulative Preferred Shares are senior to the common shares and result in the financial leveraging of the common shares. Such leveraging tends to magnify both the risks and opportunities to common shareholders. Dividends on shares of the Cumulative Preferred Shares are cumulative. The Fund is required by the 1940 Act and by the Statement of Preferences to meet certain asset coverage tests with respect to the Cumulative Preferred Shares. If the Fund fails to meet these requirements and does not correct such failure, the Fund may be required to redeem, in part or in full, the 5.625% Series A and Series B Auction Market Cumulative Preferred Shares at a redemption price of \$25.00 and \$25,000, respectively, per share plus an amount equal to the accumulated and unpaid dividends whether or not declared on such shares in order to meet these requirements. Additionally, failure to meet the foregoing asset coverage requirements could restrict the Fund's ability to pay

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dividends to common shareholders and could lead to sales of portfolio securities at inopportune times. The income received on the Fund's assets may vary in a manner unrelated to the fixed and variable rates, which could have either a beneficial or detrimental impact on net investment income and gains available to common shareholders.

On July 31, 2003, the Fund received net proceeds of \$28,895,026 (after underwriting discounts of \$945,000 and offering expenses of \$159,974) from the public offering of 1,200,000 shares of 5.625% Series A Cumulative Preferred Shares. Commencing July 31, 2008 and thereafter, the Fund, at its option, may redeem the 5.625% Series A Cumulative Preferred Shares in whole or in part at the redemption price at any time. During the six months ended June 30, 2008, the Fund did not repurchase any shares of 5.625% Series A Cumulative Preferred Shares. At June 30, 2008, 1,183,700 shares of 5.625% Series A Cumulative Preferred Shares were outstanding and accrued dividends amounted to \$23,119.

On July 31, 2003, the Fund received net proceeds of \$24,590,026 (after underwriting discounts of \$250,000 and offering expenses of \$159,974) from the public offering of 1,000 shares of Series B Auction Market Cumulative Preferred Shares. The dividend rate, as set by the auction process, which is generally held every seven days, is expected to vary with short-term interest rates. The dividend rates of Series B Auction Market Cumulative Preferred Shares ranged from 3.550% to 5.150% for the six months ended June 30, 2008. If the number of Series B Auction Market Cumulative Preferred Shares subject to bid orders by potential holders is less than the number of Series B Auction Market Cumulative Preferred Shares subject to sell orders, then the auction is considered to be a failed auction, and the dividend rate will be the maximum rate. In that event, holders that have submitted sell orders may not be able to sell any or all of the Series B Auction Market Cumulative Preferred Shares for which they have submitted sell orders. The current maximum rate is 125% of the seven day Telerate/British Bankers Association LIBOR on the day of such auction. Existing shareholders may submit an order to hold, bid, or sell such shares on each auction date. Series B Auction Market Cumulative Preferred Shares shareholders may also trade shares in the secondary market. The Fund, at its option, may redeem the Series B Auction Market Cumulative Preferred Shares in whole or in part at the redemption price at any time. During the six months ended June 30,

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### THE GABELLI UTILITY TRUST NOTES TO FINANCIAL STATEMENTS (CONTINUED) (UNAUDITED)

2008, the Fund did not redeem any shares of Series B Auction Market Cumulative Preferred Shares. At June 30, 2008, 1,000 shares of Series B Auction Market Cumulative Preferred Shares were outstanding with an annualized dividend rate of 3.941% per share and accrued dividends amounted to \$16,421.

The holders of Cumulative Preferred Shares generally are entitled to one vote per share held on each matter submitted to a vote of shareholders of the Fund and will vote together with holders of common stock as a single class. The holders of Cumulative Preferred Shares voting together as a single class also have the right currently to elect two Trustees and under certain circumstances are entitled to elect a majority of the Board of Trustees. In addition, the affirmative vote of a majority of the votes entitled to be cast by holders of all outstanding shares of the preferred shares, voting as a single class, will be required to approve any plan of reorganization adversely affecting the preferred shares, and the approval of two-thirds of each class, voting separately, of the Fund's outstanding voting stock must approve the conversion of the Fund from a closed-end to an open-end investment company. The approval of

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a majority (as defined in the 1940 Act) of the outstanding preferred shares and a majority (as defined in the 1940 Act) of the Fund's outstanding voting securities are required to approve certain other actions, including changes in the Fund's investment objectives or fundamental investment policies.

6. **INDUSTRY CONCENTRATION.** Because the Fund primarily invests in common stocks and other securities of foreign and domestic companies in the utility industry, its portfolio may be subject to greater risk and market fluctuations than a portfolio of securities representing a broad range of investments.

7. **INDEMNIFICATIONS.** The Fund enters into contracts that contain a variety of indemnifications. The Fund's maximum exposure under these arrangements is unknown. However, the Fund has not had prior claims or losses pursuant to these contracts and expects the risk of loss to be remote.

8. **OTHER MATTERS.** On April 24, 2008, the Adviser entered into an administrative settlement with the SEC to resolve the SEC's inquiry regarding prior frequent trading activity in shares of the GAMCO Global Growth Fund (the "Global Growth Fund") by one investor who was banned from the Global Growth Fund in August 2002. In the settlement, the SEC found that the Adviser had violated Section 206(2) of the Investment Advisers Act, Section 17(d) of the 1940 Act and Rule 17d-1 thereunder, and had aided and abetted and caused violations of Section 12(d)(1)(B)(i) of the 1940 Act. Under the terms of the settlement, the Adviser, while neither admitting nor denying the SEC's findings and allegations, agreed, among other things, to pay the previously reserved total of \$16 million (including a \$5 million penalty), of which at least \$11 million will be distributed to shareholders of the Global Growth Fund in accordance with a plan to be developed by an independent distribution consultant and approved by the independent directors of the Global Growth Fund and the staff of the SEC, and to cease and desist from future violations of the above referenced federal securities laws. The settlement will not have a material adverse impact on the Adviser or its ability to fulfill its obligations under the Advisory Agreement. On the same day, the SEC filed a civil action against the Executive Vice President and Chief Operating Officer of the Adviser, alleging violations of certain federal securities laws arising from the same matter. The officer is also an officer of the Global Growth Fund and other funds in the Gabelli/GAMCO fund complex. The officer denies the allegations and is continuing in his positions with the Adviser and the funds. The Adviser currently expects that any resolution of the action against the officer will not have a material adverse impact on the Adviser or its ability to fulfill its obligations under the Advisory Agreement.

On a separate matter, in August 2008, the Adviser made an offer to the staff of the SEC to settle a previously disclosed matter concerning compliance with Section 19(a) and Rule 19a-1 of the 1940 Act by two closed-end funds managed by the Adviser. These provisions require registered investment companies to provide written statements to shareholders when a distribution is made in the nature of a dividend from a source other than net investment income. While the two funds sent annual statements and provided other materials containing this information, the funds did not send the notices required by Rule 19a-1 to shareholders with each distribution in 2002 and 2003. The Adviser believes that the funds have been in compliance with Rule 19a-1 since that time. The Adviser believes that the settlement would have no effect on the funds or any material adverse effect on the Adviser or its ability to manage the funds. This offer of settlement is subject to final agreement regarding the specific language of the SEC's administrative order and other settlement documents and approval by the SEC.

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## THE GABELLI UTILITY TRUST

### BOARD CONSIDERATION AND RE-APPROVAL OF INVESTMENT ADVISORY AGREEMENT (UNAUDITED)

At its meeting on February 28, 2008, the Board of Trustees ("Board") of the Fund approved the continuation of the investment advisory agreement with the Adviser for the Fund on the basis of the recommendation by the trustees who are not "interested persons" of the Fund (the "Independent Board Members"). The following paragraphs summarize the material information and factors considered by the independent board members as well as their conclusions relative to such factors.

1. NATURE, EXTENT, AND QUALITY OF SERVICES. The Independent Board Members considered the nature, quality, and extent of administrative and shareholder services performed by the Adviser, including portfolio management, supervision of Fund operations and compliance and regulatory filings and disclosures to shareholders, general oversight of other service providers, coordination of Fund marketing initiatives, review of Fund legal issues, assisting the Independent Board Members in their capacity as trustees and other services. The Independent Board Members concluded that the services are extensive in nature and that the Adviser consistently delivered a high level of service.

2. INVESTMENT PERFORMANCE OF THE FUND AND ADVISER. The Independent Board Members considered investment performance for the Fund over various periods of time as compared with the performance of such Fund's Lipper peer group, and concluded that the Adviser was delivering satisfactory performance results over the long term consistent with the long-term investment strategies being pursued by the Fund.

3. COSTS OF SERVICES AND PROFITS REALIZED BY THE ADVISER.

(A) COSTS OF SERVICES TO FUND: FEES AND EXPENSES. The Independent Board Members considered the Fund's management fee rate and expense ratio relative to industry averages for the Fund's peer group category and the advisory fees charged by the Adviser and its affiliates to other fund and non-fund clients. The Independent Board Members noted that the mix of services under the Agreement are much more extensive than those under the advisory agreements for non-fund clients.

(B) PROFITABILITY AND COSTS OF SERVICES TO ADVISER. The Independent Board Members considered the Adviser's overall profitability and costs, and proforma estimates of the Adviser's profitability and costs attributable to the Fund (i) as part of the Gabelli/GAMCO fund complex and (ii) assuming the Fund constituted the Adviser's only investment company under its management. The Independent Board Members also considered whether the amount of profit is a fair entrepreneurial profit for the management of the Fund and noted that the Adviser has substantially increased its resources devoted to Fund matters in response to regulatory requirements and enhanced Fund policies and procedures. The Independent Board Members concluded that the Adviser's profitability was at an acceptable level, particularly in light of the quality of services provided to the Fund. The Independent Board Members also noted that a substantial portion of the Fund's portfolio transactions were executed by an affiliated broker, and that the affiliated broker received commissions from the Fund, and the Adviser received a moderate amount of soft dollar benefits (but no third party research services) from unaffiliated brokers through the Fund's portfolio brokerage.

4. EXTENT OF ECONOMIES OF SCALE AS FUND GROWS. The Independent Board Members considered whether there have been economies of scale with respect to the management of the Fund and whether the Fund has appropriately benefited from any economies of scale. The Independent Board Members noted that economies of scale may develop for certain funds as their assets increase and their fund level expenses decline as a percentage of assets, but that fund level economies of

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scale may not necessarily result in Adviser level economies of scale. They also recognized that the Adviser has agreed to reduce the advisory fee on incremental assets attributable to the preferred shares if the total return of the common shares does not exceed a specified amount (i.e., the dividend rate paid on preferred shares). The Independent Board Members concluded that there was an appropriate sharing of economies of scale.

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### THE GABELLI UTILITY TRUST

#### BOARD CONSIDERATION AND RE-APPROVAL OF INVESTMENT ADVISORY AGREEMENT (CONTINUED) (UNAUDITED)

5. WHETHER FEE LEVELS REFLECT ECONOMIES OF SCALE. The Independent Board Members also considered whether the management fee rate is reasonable in relation to the asset size of the Fund and any economies of scale that may exist and concluded that it currently was reasonable.

#### 6. OTHER RELEVANT CONSIDERATIONS.

(A) ADVISER PERSONNEL AND METHODS. The Independent Board Members considered the size, education, and experience of the Adviser's staff, the Adviser's fundamental research capabilities, and the Adviser's approach to recruiting, training, and retaining portfolio managers and other research and management personnel, and concluded that in each of these areas the Adviser was structured in such a way to support the high level of services being provided to the Fund.

(B) OTHER BENEFITS TO THE ADVISER. The Independent Board Members also considered the character and amount of other incidental benefits received by the Adviser and its affiliates from its association with the Fund. The Independent Board Members concluded that potential "fall-out" benefits that the Adviser and its affiliates may receive, such as brokerage commissions paid to an affiliated broker, greater name recognition, or increased ability to obtain research services, appear to be reasonable, and may in some cases benefit the Fund.

CONCLUSIONS. In considering the Agreement, the Independent Board Members did not identify any factor as all important or all controlling and instead considered these factors collectively in light of the Fund's surrounding circumstances. Based on this review, it was the judgment of the Independent Board Members that shareholders had received satisfactory absolute and relative performance at reasonable fees and, therefore, re-approval of the Agreement was in the best interests of the Fund and its shareholders. As a part of its decision making process, the Independent Board Members noted that the Adviser has managed the Fund since its inception, and the Independent Board Members believe that a long-term relationship with a capable, conscientious adviser is in the best interests of the Fund. The Independent Board Members considered, generally, that shareholders invested in the Fund knowing that the Adviser managed the Fund and knowing its investment management fee schedule. As such, the Independent Board Members considered, in particular, whether the Adviser managed the Fund in accordance with its investment objectives and policies as disclosed to shareholders. The Independent Board Members concluded that the Fund was managed by the Adviser consistent with its investment objectives and policies.

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### AUTOMATIC DIVIDEND REINVESTMENT AND VOLUNTARY CASH PURCHASE PLANS

#### ENROLLMENT IN THE PLAN

It is the policy of The Gabelli Utility Trust (the "Fund") to automatically reinvest dividends payable to common shareholders. As a "registered" shareholder you automatically become a participant in the Fund's Automatic Dividend Reinvestment Plan (the "Plan"). The Plan authorizes the Fund to credit common shares to participants upon an income dividend or a capital gains distribution regardless of whether the shares are trading at a discount or a premium to net asset value. All distributions to shareholders whose shares are registered in their own names will be automatically reinvested pursuant to the Plan in additional shares of the Fund. Plan participants may send their share certificates to Computershare Trust Company, N.A. ("Computershare") to be held in their dividend reinvestment account. Registered shareholders wishing to receive their distributions in cash must submit this request in writing to:

The Gabelli Utility Trust  
c/o Computershare  
P.O. Box 43010  
Providence, RI 02940-3010

Shareholders requesting this cash election must include the shareholder's name and address as they appear on the share certificate. Shareholders with additional questions regarding the Plan or requesting a copy of the terms of the Plan may contact Computershare at (800) 336-6983.

If your shares are held in the name of a broker, bank, or nominee, you should contact such institution. If such institution is not participating in the Plan, your account will be credited with a cash dividend. In order to participate in the Plan through such institution, it may be necessary for you to have your shares taken out of "street name" and re-registered in your own name. Once registered in your own name your distributions will be automatically reinvested. Certain brokers participate in the Plan. Shareholders holding shares in "street name" at participating institutions will have dividends automatically reinvested. Shareholders wishing a cash dividend at such institution must contact their broker to make this change.

The number of common shares distributed to participants in the Plan in lieu of cash dividends is determined in the following manner. Under the Plan, whenever the market price of the Fund's common shares is equal to or exceeds net asset value at the time shares are valued for purposes of determining the number of shares equivalent to the cash dividends or capital gains distribution, participants are issued common shares valued at the greater of (i) the net asset value as most recently determined or (ii) 95% of the then current market price of the Fund's common shares. The valuation date is the dividend or distribution payment date or, if that date is not a New York Stock Exchange ("NYSE") trading day, the next trading day. If the net asset value of the common shares at the time of valuation exceeds the market price of the common shares, participants will receive common shares from the Fund valued at market price. If the Fund should declare a dividend or capital gains distribution payable only in cash, Computershare will buy common shares in the open market, or on the NYSE or elsewhere, for the participants' accounts, except that Computershare will endeavor to terminate purchases in the open market and cause the Fund to issue shares at net asset value if, following the commencement of such purchases, the market value of the common shares exceeds the then current net asset value.

The automatic reinvestment of dividends and capital gains distributions will not relieve participants of any income tax which may be payable on such distributions. A participant in the Plan will be treated for federal income tax purposes as having received, on a dividend payment date, a dividend or



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distribution in an amount equal to the cash the participant could have received instead of shares.

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### VOLUNTARY CASH PURCHASE PLAN

The Voluntary Cash Purchase Plan is yet another vehicle for our shareholders to increase their investment in the Fund. In order to participate in the Voluntary Cash Purchase Plan, shareholders must have their shares registered in their own name.

Participants in the Voluntary Cash Purchase Plan have the option of making additional cash payments to Computershare for investments in the Fund's common shares at the then current market price. Shareholders may send an amount from \$250 to \$10,000. Computershare will use these funds to purchase shares in the open market on or about the 1st and 15th of each month. Computershare will charge each shareholder who participates \$0.75, plus a pro rata share of the brokerage commissions. Brokerage charges for such purchases are expected to be less than the usual brokerage charge for such transactions. It is suggested that any voluntary cash payments be sent to Computershare, P.O. Box 43010, Providence, RI 02940-3010 such that Computershare receives such payments approximately 10 days before the 1st and 15th of the month. Funds not received at least five days before the investment date shall be held for investment until the next purchase date. A payment may be withdrawn without charge if notice is received by Computershare at least 48 hours before such payment is to be invested.

SHAREHOLDERS WISHING TO LIQUIDATE SHARES HELD AT COMPUTERSHARE must do so in writing or by telephone. Please submit your request to the above mentioned address or telephone number. Include in your request your name, address, and account number. The cost to liquidate shares is \$2.50 per transaction as well as the brokerage commission incurred. Brokerage charges are expected to be less than the usual brokerage charge for such transactions.

For more information regarding the Automatic Dividend Reinvestment Plan and Voluntary Cash Purchase Plan, brochures are available by calling (914) 921-5070 or by writing directly to the Fund.

The Fund reserves the right to amend or terminate the Plan as applied to any voluntary cash payments made and any dividend or distribution paid subsequent to written notice of the change sent to the members of the Plan at least 90 days before the record date for such dividend or distribution. The Plan also may be amended or terminated by Computershare on at least 90 days written notice to participants in the Plan.

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TRUSTEES AND OFFICERS  
THE GABELLI UTILITY TRUST  
ONE CORPORATE CENTER, RYE, NY 10580-1422

### TRUSTEES

Mario J. Gabelli, CFA  
CHAIRMAN & CHIEF EXECUTIVE OFFICER,

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GAMCO INVESTORS, INC.

Dr. Thomas E. Bratter  
PRESIDENT & FOUNDER, JOHN DEWEY ACADEMY

Anthony J. Colavita  
ATTORNEY-AT-LAW,  
ANTHONY J. COLAVITA, P.C.

James P. Conn  
FORMER MANAGING DIRECTOR &  
CHIEF INVESTMENT OFFICER,  
FINANCIAL SECURITY ASSURANCE HOLDINGS LTD.

Vincent D. Enright  
FORMER SENIOR VICE PRESIDENT &  
CHIEF FINANCIAL OFFICER,  
KEYSPAN CORP.

Frank J. Fahrenkopf, Jr.  
PRESIDENT & CHIEF EXECUTIVE OFFICER,  
AMERICAN GAMING ASSOCIATION

John D. Gabelli  
SENIOR VICE PRESIDENT,  
GABELLI & COMPANY, INC.

Robert J. Morrissey  
ATTORNEY-AT-LAW,  
MORRISSEY, HAWKINS & LYNCH

Anthony R. Pustorino  
CERTIFIED PUBLIC ACCOUNTANT,  
PROFESSOR EMERITUS, PACE UNIVERSITY

Salvatore J. Zizza  
CHAIRMAN, ZIZZA & CO., LTD.

### OFFICERS

Bruce N. Alpert  
PRESIDENT

Peter D. Goldstein  
CHIEF COMPLIANCE OFFICER

Agnes Mullady  
TREASURER AND SECRETARY

David I. Schachter  
VICE PRESIDENT & OMBUDSMAN

INVESTMENT ADVISER  
Gabelli Funds, LLC  
One Corporate Center  
Rye, New York 10580-1422

CUSTODIAN  
The Bank of New York Mellon

COUNSEL  
Willkie Farr & Gallagher LLP

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TRANSFER AGENT AND REGISTRAR  
Computershare Trust Company, N.A.

### STOCK EXCHANGE LISTING

	Common	5.625% Preferred
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NYSE-Symbol:	GUT	GUT PrA
Shares Outstanding:	30,200,327	1,183,700

The Net Asset Value per share appears in the Publicly Traded Funds column, under the heading "Specialized Equity Funds," in Monday's The Wall Street Journal. It is also listed in Barron's Mutual Funds/Closed End Funds section under the heading "Specialized Equity Funds."

The Net Asset Value per share may be obtained each day by calling (914) 921-5070 or visiting [www.gabelli.com](http://www.gabelli.com).

For general information about the Gabelli Funds, call 800-GABELLI (800-422-3554), fax us at 914-921-5118, visit Gabelli Funds' Internet homepage at: [WWW.GABELLI.COM](http://WWW.GABELLI.COM), or e-mail us at: [closedend@gabelli.com](mailto:closedend@gabelli.com)

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that the Fund may, from time to time, purchase its common shares in the open market when the Fund's shares are trading at a discount of 10% or more from the net asset value of the shares. The Fund may also, from time to time, purchase its preferred shares in the open market when the preferred shares are trading at a discount to the liquidation value.

THE GABELLI UTILITY TRUST  
ONE CORPORATE CENTER  
RYE, NY 10580-1422  
(914) 921-5070  
[WWW.GABELLI.COM](http://WWW.GABELLI.COM)

SEMI ANNUAL REPORT  
JUNE 30, 2008

GUT Q2/2008

#### ITEM 2. CODE OF ETHICS.

Not applicable.

#### ITEM 3. AUDIT COMMITTEE FINANCIAL EXPERT.

Not applicable.

#### ITEM 4. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

Not applicable.

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ITEM 5. AUDIT COMMITTEE OF LISTED REGISTRANTS.

Not applicable.

ITEM 6. INVESTMENTS.

(a) Schedule of Investments in securities of unaffiliated issuers as of the close of the reporting period is included as part of the report to shareholders filed under Item 1 of this form.

(b) Not applicable.

ITEM 7. DISCLOSURE OF PROXY VOTING POLICIES AND PROCEDURES FOR CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

Not applicable.

ITEM 8. PORTFOLIO MANAGERS OF CLOSED-END MANAGEMENT INVESTMENT COMPANIES.

There has been no change, as of the date of this filing, in any of the portfolio managers identified in response to paragraph (a)(1) of this Item in the registrant's most recently filed annual report on Form N-CSR.

ITEM 9. PURCHASES OF EQUITY SECURITIES BY CLOSED-END MANAGEMENT INVESTMENT COMPANY AND AFFILIATED PURCHASERS.

REGISTRANT PURCHASES OF EQUITY SECURITIES

PERIOD	(A) TOTAL NUMBER OF SHARES (OR UNITS) PURCHASED	(B) AVERAGE PRICE PAID PER SHARE (OR UNIT)	(C) TOTAL NUMBER OF SHARES (OR UNITS) PURCHASED AS PART OF PUBLICLY ANNOUNCED PLANS OR PROGRAMS	(D) TOTAL NUMBER OF SHARES (OR UNITS)
Month #1 01/01/08 through 01/31/08	Common - N/A Preferred Series A - N/A	Common - N/A Preferred Series A - N/A	Common - N/A Preferred Series A - N/A	C P
Month #2 02/01/08 through 02/28/08	Common - N/A Preferred Series A - N/A	Common - N/A Preferred Series A - N/A	Common - N/A Preferred Series A - N/A	C P
Month #3 03/01/08 through 03/31/08	Common - N/A Preferred Series A - N/A	Common - N/A Preferred Series A - N/A	Common - N/A Preferred Series A - N/A	C P
Month #4 04/01/08	Common - N/A	Common - N/A	Common - N/A	C

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through 04/30/08	Preferred Series A - N/A	Preferred Series A - N/A	Preferred Series A - N/A	P
Month #5 05/01/08	Common - N/A	Common - N/A	Common - N/A	C
through 05/31/08	Preferred Series A - N/A	Preferred Series A - N/A	Preferred Series A - N/A	P
Month #6 06/01/08	Common - N/A	Common - N/A	Common - N/A	C
through 06/30/08	Preferred Series A - N/A	Preferred Series A - N/A	Preferred Series A - N/A	P
Total	Common - N/A	Common - N/A	Common - N/A	N
	Preferred Series A - N/A	Preferred Series A - N/A	Preferred Series A - N/A	

Footnote columns (c) and (d) of the table, by disclosing the following information in the aggregate for all plans or programs publicly announced:

- a. The date each plan or program was announced - The notice of the potential repurchase of common and preferred shares occurs quarterly in the Fund's quarterly report in accordance with Section 23(c) of the Investment Company Act of 1940, as amended.
- b. The dollar amount (or share or unit amount) approved - Any or all common shares outstanding may be repurchased when the Fund's common shares are trading at a discount of 10% or more from the net asset value of the shares. Any or all preferred shares outstanding may be repurchased when the Fund's preferred shares are trading at a discount to the liquidation value of \$25.00.
- c. The expiration date (if any) of each plan or program - The Fund's repurchase plans are ongoing.
- d. Each plan or program that has expired during the period covered by the table - The Fund's repurchase plans are ongoing.
- e. Each plan or program the registrant has determined to terminate prior to expiration, or under which the registrant does not intend to make further purchases. - The Fund's repurchase plans are ongoing.

**ITEM 10. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.**

There have been no material changes to the procedures by which the shareholders may recommend nominees to the registrant's Board of Trustees, where those changes were implemented after the registrant last provided disclosure in response to the requirements of Item 407(c)(2)(iv) of Regulation S-K (17 CFR 229.407) (as required by Item 22(b)(15) of Schedule 14A (17 CFR 240.14a-101)), or this Item.

**ITEM 11. CONTROLS AND PROCEDURES.**

- (a) The registrant's principal executive and principal financial officers, or persons performing similar functions, have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940, as amended (the

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"1940 Act") (17 CFR 270.30a-3(c)) are effective, as of a date within 90 days of the filing date of the report that includes the disclosure required by this paragraph, based on their evaluation of these controls and procedures required by Rule 30a-3(b) under the 1940 Act (17 CFR 270.30a-3(b)) and Rules 13a-15(b) or 15d-15(b) under the Securities Exchange Act of 1934, as amended (17 CFR 240.13a-15(b) or 240.15d-15(b)).

- (b) There were no changes in the registrant's internal control over financial reporting (as defined in Rule 30a-3(d) under the 1940 Act (17 CFR 270.30a-3(d)) that occurred during the registrant's second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

ITEM 12. EXHIBITS.

- (a) (1) Not applicable.
(a) (2) Certifications pursuant to Rule 30a-2(a) under the 1940 Act and Section 302 of the Sarbanes-Oxley Act of 2002 are attached hereto.
(a) (3) Not applicable.
(b) Certifications pursuant to Rule 30a-2(b) under the 1940 Act and Section 906 of the Sarbanes-Oxley Act of 2002 are attached hereto.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

(registrant) The Gabelli Utility Trust
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By (Signature and Title)\* /s/ Bruce N. Alpert
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Bruce N. Alpert, Principal Executive Officer

Date 9/3/08
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Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By (Signature and Title)\* /s/ Bruce N. Alpert
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Bruce N. Alpert, Principal Executive Officer

Date 9/3/08
-----

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By (Signature and Title)\* /s/ Agnes Mullady

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Agnes Mullady,  
Principal Financial Officer and Treasurer

Date 9/3/08

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\* Print the name and title of each signing officer under his or her signature.