

2008 Income Earned by State Information for Money Market Funds

This information is being provided to assist in your 2008 tax preparations. The information is also mailed to applicable Columbia Management noncorporate shareholders with their year-end tax forms.

This information will help you calculate the amount of income that is reportable to your state and local tax authorities. This information will also help you if you are subject to the alternative minimum tax (AMT). In many instances, interest from municipal bonds is tax-exempt in the state from which the bonds were issued, but not in other states. Interest from obligations issued by Guam, Puerto Rico and the U.S. Virgin Islands is also tax-exempt in most states. Therefore, you may not have to pay state or local taxes on the interest income from municipal bonds issued by your state of residence or U.S. territories. Corporate shareholders may be subject to different state income tax requirements and all shareholders should consult their tax advisor regarding specific state tax treatments of the excludible percentage of tax-exempt dividends.

How to Use This Table

Municipal Bond Income Earned by State

The following table shows the earnings from each state's municipal bonds as a percentage of the total tax-exempt distributions paid by the fund. (Please note that these percentages are also included on the 2008 Form 1099-INT mailed to you.) The states and U.S. territories are listed in alphabetical order. If your state does not have a percentage listed, the entire amount in Box 8 of your 2008 Form 1099-INT may be reportable.

Some states allow you to claim only a certain percentage of tax-exempt dividends as tax-exempt. That percentage is tied to the fund's investment in that particular state. In such a state, multiply that state's percentage (shown in the following table) by the amount shown in Box 8 of Form 1099-INT. Do the same with the figures shown for Guam, Puerto Rico and the Virgin Islands. The total of all the calculations is the amount that may be excluded from that state's state and local taxes.

Funds marked with an asterisk (*) indicate that the funds in the following table did not meet the minimum investment threshold requirements for the state(s) marked.

Since special limitations may apply in certain states, please consult your tax advisor or your state tax authority for advice on reporting tax-exempt income on your federal and state tax returns. Columbia Management does not provide tax or legal advice. Please consult a tax advisor or tax attorney for specific tax or legal advice.

Alternative Minimum Tax

The AMT is a separate tax system that disallows many deductions and exemptions allowable in computing a taxpayer's regular tax liability. For federal tax purposes, the interest earned from private activity bonds is exempt from taxes under the regular tax system; however, it is not exempt under the AMT system. Private activity bonds are issued by state and local governments to raise money for private purposes. The total dollar amount, if any, of a fund's distributions received by a shareholder that came from private activity bond interest and which may be subject to the AMT, is reported in Box 9 of Form 1099-INT. For your convenience, we have also included in the following table the percentage of total tax-exempt distributions paid by each fund in 2008 that may be subject to the AMT. You should consult with your tax advisor or use IRS Form 6251 to determine if you are subject to the AMT.

NOT FDIC INSURED	May Lose Value
NOT BANK ISSUED	No Bank Guarantee

State/Territory	Columbia California Tax Exempt Reserves	Columbia Connecticut Municipal Reserves	Columbia Massachusetts Municipal Reserves	Columbia Municipal Reserves	Columbia New York Tax-Exempt Reserves**	Columbia Tax-Exempt Reserves**
Alabama	0.00%	0.00%	0.01%	0.89%	0.00%	1.74%
Alaska	0.00%	0.00%	0.00%	0.62%	0.00%	0.38%
Arizona	0.00%	0.00%	0.00%	1.43%	0.00%	1.47%
Arkansas	0.00%	0.00%	0.00%	0.38%	0.00%	0.05%
California	89.84%	0.00%	0.00%	2.61%*	0.00%	0.47%*
Colorado	0.00%	0.30%	0.06%	3.00%	0.00%	3.18%
Connecticut	0.06%	65.46%	0.00%	0.10%	0.01%	0.29%
Delaware	0.00%	0.00%	0.00%	1.98%	0.00%	1.25%
District of Columbia	0.00%	0.61%	0.00%	0.79%	0.00%	0.69%
Florida	0.20%	0.12%	0.65%	5.72%	0.00%	7.71%
Georgia	0.00%	0.00%	0.00%	2.87%	0.00%	4.20%
Guam	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Hawaii	0.00%	0.00%	0.00%	0.10%	0.00%	0.30%
Idaho	0.00%	0.00%	0.00%	0.97%	0.00%	0.29%
Illinois	0.00%	0.13%	0.00%	4.18%	0.00%	6.85%
Indiana	0.00%	0.00%	0.00%	5.62%	0.00%	3.05%
Iowa	0.00%	0.00%	0.00%	1.00%	0.00%	0.67%
Kansas	0.00%	0.00%	0.00%	0.44%	0.00%	0.26%
Kentucky	0.00%	0.00%	0.00%	1.63%	0.00%	2.05%
Louisiana	0.00%	0.00%	0.00%	1.90%	0.01%	2.10%
Maine	0.00%	0.00%	0.00%	2.59%	0.00%	0.08%
Maryland	0.00%	0.00%	0.00%	1.34%	0.00%	1.44%
Massachusetts	0.01%	0.29%	93.33%	1.80%	0.00%	2.36%
Michigan	0.00%	0.00%	0.16%	6.33%	0.00%	3.97%
Minnesota	0.00%	0.00%	0.00%	1.19%*	0.00%	0.86%*
Mississippi	0.00%	0.00%	0.00%	0.22%	0.00%	0.84%
Missouri	0.00%	0.05%	0.00%	1.09%	0.00%	1.65%
Montana	0.00%	0.00%	0.00%	0.75%	0.00%	0.05%
Nebraska	0.00%	0.00%	0.00%	0.73%	0.00%	0.20%
Nevada	0.00%	0.00%	0.01%	1.54%	0.00%	1.04%
New Hampshire	0.00%	0.00%	0.00%	0.13%	0.00%	0.77%
New Jersey	0.00%	0.00%	0.00%	0.44%	0.00%	2.45%
New Mexico	0.00%	0.00%	0.00%	0.58%	0.00%	0.27%
New York	0.00%	0.27%	0.00%	2.87%	96.14%	4.02%
North Carolina	0.00%	0.00%	0.00%	2.77%	0.00%	2.28%
North Dakota	0.00%	0.00%	0.00%	0.10%	0.00%	0.02%
Ohio	0.00%	0.17%	0.00%	1.33%	0.00%	4.56%
Oklahoma	0.00%	0.00%	0.00%	2.22%	0.00%	0.29%
Oregon	0.00%	0.00%	0.00%	0.67%	0.00%	0.46%
Pennsylvania	0.00%	0.00%	0.07%	4.39%	0.00%	5.94%
Puerto Rico	7.95%	32.22%	5.64%	0.05%	3.84%	2.28%
Rhode Island	0.00%	0.00%	0.00%	0.10%	0.00%	0.19%
South Carolina	0.00%	0.00%	0.00%	1.08%	0.00%	1.80%
South Dakota	0.00%	0.00%	0.00%	1.29%	0.00%	0.04%
Tennessee	0.00%	0.01%	0.03%	1.20%	0.00%	3.38%
Texas	0.00%	0.19%	0.00%	11.67%	0.00%	13.17%
U.S. Virgin Islands	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Utah	0.00%	0.00%	0.00%	3.68%	0.00%	0.72%
Vermont	0.00%	0.00%	0.00%	0.10%	0.00%	0.07%
Virginia	0.00%	0.00%	0.00%	1.43%	0.00%	1.80%
Washington	0.00%	0.18%	0.04%	2.45%	0.00%	1.82%
West Virginia	0.00%	0.00%	0.00%	0.70%	0.00%	0.59%
Wisconsin	0.00%	0.00%	0.00%	3.53%	0.00%	3.38%
Wyoming	0.00%	0.00%	0.00%	0.67%	0.00%	0.11%
AMT	20.70%	13.66%	0.00%	69.08%	1.03%	0.81%
State specific (1)	97.79%	97.68%	98.97%	N/A	99.98%	N/A

** The following funds have merged: Columbia New York Tax-Exempt Reserves predecessor Excelsior fund: New York Tax-Exempt Money and Columbia Tax-Exempt Reserve predecessor Excelsior fund: Tax-Exempt Money.

(1) For single state municipal bond funds, the state specific percentage shown includes the income earned from that state, as well as any income earned from U.S. territories.

* California and Minnesota have minimum investment threshold requirements in order for funds to pass through exempt income from state obligations. The state holdings of the funds designated above with the asterisk (*) did not meet the minimum investment requirements.

Excelsior Funds

State/Territory	Excelsior New York Tax-Exempt Money Fund (merged 3/24/08) [†]	Excelsior Tax-Exempt Money Fund (merged 3/24/08) [†]
Alabama	0.00%	1.29%
Alaska	0.00%	0.46%
Arizona	0.00%	1.37%
Arkansas	0.00%	0.00%
California	0.00%	0.07%*
Colorado	0.00%	3.09%
Connecticut	0.00%	2.23%
Delaware	0.00%	0.00%
District of Columbia	0.00%	0.70%
Florida	0.00%	7.32%
Georgia	0.00%	0.62%
Guam	0.00%	0.00%
Hawaii	0.00%	1.63%
Idaho	0.00%	0.00%
Illinois	0.00%	3.19%
Indiana	0.00%	4.00%
Iowa	0.00%	1.54%
Kansas	0.00%	0.00%
Kentucky	0.00%	0.84%
Louisiana	0.00%	1.69%
Maine	0.00%	0.00%
Maryland	0.00%	3.22%
Massachusetts	0.00%	1.59%
Michigan	0.00%	2.72%
Minnesota	0.00%	1.44%*
Mississippi	0.00%	2.13%
Missouri	0.00%	1.64%
Montana	0.00%	0.00%
Nebraska	0.00%	0.00%
Nevada	0.00%	1.15%
New Hampshire	0.00%	0.15%
New Jersey	0.00%	0.02%
New Mexico	0.00%	0.04%
New York	99.57%	5.07%
North Carolina	0.00%	5.87%
North Dakota	0.00%	0.00%
Ohio	0.00%	0.79%
Oklahoma	0.00%	0.39%
Oregon	0.00%	0.05%
Pennsylvania	0.00%	1.26%
Puerto Rico	0.00%	0.00%
Rhode Island	0.00%	0.69%
South Carolina	0.00%	0.48%
South Dakota	0.00%	0.10%
Tennessee	0.00%	2.14%
Texas	0.00%	21.29%
U.S. Virgin Islands	0.00%	0.00%
Utah	0.00%	4.49%
Vermont	0.00%	0.02%
Virginia	0.00%	1.01%
Washington	0.00%	3.31%
West Virginia	0.00%	0.00%
Wisconsin	0.00%	4.85%
Wyoming	0.00%	0.96%
AMT	0.00%	0.00%
State specific (1)	99.57%	N/A

† The Excelsior New York Tax-Exempt Money, and Excelsior Tax-Exempt Money funds merged into the Columbia New York Tax-Exempt Reserves, and Columbia Tax-Exempt Reserves funds, respectively.

(1) For single state municipal bond funds, the state specific percentage shown includes the income earned from that state, as well as any income earned from U.S. territories.

* California and Minnesota have minimum investment threshold requirements in order for funds to pass through exempt income from state obligations. The state holdings of the funds designated above with the asterisk (*) did not meet the minimum investment requirements.