

Edgar Filing: ALLIANCE NATIONAL MUNICIPAL INCOME FUND - Form N-Q

ALLIANCE NATIONAL MUNICIPAL INCOME FUND

Form N-Q

April 01, 2005

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM N-Q

QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED
MANAGEMENT INVESTMENT COMPANIES

Investment Company Act file number: 811-10573

ALLIANCE NATIONAL MUNICIPAL INCOME FUND, INC.
(Exact name of registrant as specified in charter)

1345 Avenue of the Americas, New York, New York 10105
(Address of principal executive offices) (Zip code)

Mark R. Manley
Alliance Capital Management L.P.
1345 Avenue of the Americas
New York, New York 10105
(Name and address of agent for service)

Registrant's telephone number, including area code: (800) 221-5672

Date of fiscal year end: October 31, 2005

Date of reporting period: January 31, 2005

ITEM 1. SCHEDULE OF INVESTMENTS.

ALLIANCE NATIONAL MUNICIPAL INCOME FUND
PORTFOLIO OF INVESTMENTS
January 31, 2005 (unaudited)

Company	Principal Amount (000)	Value
MUNICIPAL BONDS-159.2%		
Long-Term Municipal Bonds-159.0%		
Alabama-9.9%		
Huntsville Hlth Care Auth (Huntsville Hosp Sys) Ser 02B 5.75%, 6/01/32	\$ 8,000	\$ 8,550,080
Jefferson Cnty Ltd Oblig Sch Warrants Ser 04A 5.25%, 1/01/23	1,275	1,351,232
Jefferson Cnty Swr Rev FGIC Ser 99A 5.375%, 2/01/36	12,405	13,755,036
Marshall Cnty Hlth Care Auth (Marshall Cnty Med Ctr) Ser 02A 5.75%, 1/01/32	2,500	2,617,825

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6.75%, 5/01/31 Jacksonville Wtr & Swr Sys Rev (Jacksonville Elec) MBIA Ser 02A	2,460	2,618,350
5.50%, 10/01/41 (a)(b) Lee Cnty Arpt Rev (Southwest FL Intl) FSA Ser 00A AMT	20,000	21,149,800
5.75%, 10/01/22 - 10/01/25 Lee Cnty Cmnty Dev Dist (Miromar Lakes) Ser 00A	9,500	10,520,800
7.25%, 5/01/12 Lee Cnty IDA Hlth Fac (Shell Point Village) Ser 99A	1,595	1,697,877
5.50%, 11/15/29 Miami Beach Hlth Facs Hosp Rev (Mount Sinai Med Ctr) Ser 04	2,500	2,499,125
6.75%, 11/15/24 Midtown Miami CDD Ser 04A	2,000	2,158,400
6.00%, 5/01/24 Orange Cnty Hlth Facs Hosp Rev (Orlando Regional) Ser 02	2,500	2,583,150
5.75%, 12/01/32 Parkway Center CDD Ser 04A	1,400	1,510,460
6.125%, 5/01/24 Pinellas Cnty HFA SFMR (Mtg Rev) GNMA/FNMA Ser 02A AMT	3,075	3,150,522
5.40%, 3/01/32 Village Cmnty Dev Dist Ser 03A	1,165	1,192,436
6.00%, 5/01/22	1,000	1,045,060

		80,367,559

Georgia-2.4%		
Cartersville Dev Auth (Anheuser Busch Proj) Ser 02 AMT		
5.95%, 2/01/32 Georgia HFA SFMR (Mtg Rev) Ser 02A-2 AMT	2,510	2,702,919
5.60%, 12/01/32	4,940	4,998,736

		7,701,655

Hawaii-0.7%		
Hawaii St Elec Rev XLCA Ser 03B AMT		
5.00%, 12/01/22	2,000	2,099,600

Illinois-18.6%		
Bolingbrook GO FGIC Ser 02A		
5.375%, 1/01/38 Chicago Arpt Rev (O'Hare Int'l Arpt) MBIA Ser 02A AMT	5,000	5,352,150
5.375%, 1/01/32 (O'Hare Int'l Arpt) XLCA Ser 03B-1	15,000	15,644,850
5.25%, 1/01/34 Chicago GO FGIC Ser 00	1,760	1,859,915
5.50%, 1/01/40 FSA Ser 04A	14,585	15,935,863

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5.00%, 1/01/25	1,000	1,059,680
Chicago Parking Rev (Lakefront Millennium) MBIA Ser 98		
5.125%, 1/01/28	8,600	9,036,192
Chicago Sales Tax Rev FGIC Ser 98		
5.25%, 1/01/28	5,710	6,014,400
Cook Cnty Sch Dist FSA Ser 04		
4.60%, 12/01/20 (c)	1,000	924,200
Met Pier & Expo Auth (McCormick Place) MBIA Ser 02A		
5.25%, 6/15/42	3,750	3,965,513

		59,792,763

Indiana-4.6%		
Hendricks Cnty Ind Bldg Facs Corp (First Mtg) Ser 04		
5.50%, 7/15/22	1,105	1,232,694
Indiana HFA SFMR (Mtg Rev) GNMA/FNMA Ser 02 AMT		
5.55%, 7/01/32	2,900	2,990,393
Indianapolis Pub Improv Bond MBIA Ser 02A		
5.25%, 7/01/33	10,000	10,577,500

		14,800,587

Iowa-0.3%		
Iowa Fin Auth SFMR (Mtg Rev) GNMA/FNMA Ser 02A AMT		
5.40%, 7/01/32	895	913,893

Louisiana-0.9%		
Calcasieu Parish SFMR (Mtg Rev) GNMA/FNMA Ser 02A		
6.05%, 4/01/33	410	429,028
Louisiana HFA SFMR (Mtg Rev) GNMA Ser 02C AMT		
5.60%, 6/01/33	2,505	2,573,787

		3,002,815

Massachusetts-3.1%		
Massachusetts GO Ser 02C		
5.25%, 11/01/30	1,780	1,997,320
Ser 02C Prerefunded		
5.25%, 11/01/30	3,220	3,613,130
Massachusetts Hlth & Ed Fac Hosp Rev (Berkshire Hlth Sys) Asset Gty Ser 01E Radian		
5.70%, 10/01/25	2,000	2,207,400
(Cape Cod Healthcare) Asset Gty Ser 01C Radian		
5.25%, 11/15/31	2,100	2,215,395

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		10,033,245

Michigan-3.6%		
Detroit Dev Fin Auth (Daimler/Chrysler Plant) Ser 98A 5.50%, 5/01/21	1,665	1,443,855
Michigan Strategic (Detroit Edison Co Proj) XLCA Ser 02 AMT 5.45%, 12/15/32	5,000	5,352,500
Saginaw Hosp Fin Auth Hosp Rev (Covenant Med Ctr) Ser 00F 6.50%, 7/01/30	4,410	4,890,778

		11,687,133

Missouri-0.7%		
Missouri SFMR (Mtg Rev) GNMA/FNMA Ser 02A-1 AMT 5.58%, 9/01/32	2,035	2,102,094

Nevada-15.6%		
Carson City Hosp Rev (Carson-Tahoe Hosp Proj) Radian Ser 03A 5.00%, 9/01/23	2,600	2,700,958
Clark Cnty Arpt Rev FGIC Ser 01B 5.25%, 7/01/34	11,920	12,500,504
Nevada Dept Bus & Ind (Las Vegas Monorail Proj) AMBAC Ser 00 5.625%, 1/01/32	11,720	13,119,251
Reno Special Tax (Retrac Transp Proj) AMBAC Ser 02 5.25%, 6/01/41	1,000	1,055,250
Reno Special Tax FGIC Ser 02 5.375%, 6/01/32	7,500	8,060,250
Truckee Meadows Wtr Auth FSA Ser 01A 5.25%, 7/01/34	12,000	12,715,080

		50,151,293

New Hampshire-1.4%		
New Hampshire Hlth & Ed Fac Hosp Rev (Covenant Med Ctr) Ser 02 6.125%, 7/01/31	4,200	4,482,576

New Jersey-3.0%		
Morris Union Jointure Commn COP Ser 04 Radian 5.00%, 5/01/24	5,185	5,434,658
New Jersey Eco Dev Auth Rev (Cigarette Tax) Ser 04 FGIC 5.00%, 6/15/12	4,000	4,397,400

		9,832,058

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New York-4.9%		
Erie Cnty IDA (City of Buffalo Proj) FSA Ser 04 5.75%, 5/01/23	4,100	4,756,205
New York City GO Ser 04G 5.00%, 12/01/23	1,600	1,684,976
Ser 04I 5.00%, 8/01/21	8,850	9,378,345
		----- 15,819,526 -----
North Carolina-0.6%		
Charlotte Arpt Rev MBIA Ser 04A 5.25%, 7/01/24	1,895	2,052,891

North Dakota-0.7%		
North Dakota HFA SFMR (Mtg Rev) Ser 02A AMT 5.65%, 1/01/34	2,325	2,398,586

Ohio-4.1%		
Cleveland-Cuyahoga Cnty Port Auth Rev Ser 01 7.35%, 12/01/31	5,000	5,310,400
Fairfield Cnty Hosp Rev (Fairfield Med Ctr Proj) Radian Ser 03 5.00%, 6/15/22 - 6/15/24	3,955	4,113,132
Ohio HFA SFMR (Mtg Rev) GNMA Ser 00D AMT 6.05%, 3/01/31	2,260	2,369,361
Port Auth of Columbiana Cnty SWR (Apex Environmental Llc) Ser 04A AMT 7.125%, 8/01/25	1,340	1,354,472
		----- 13,147,365 -----
Pennsylvania-2.5%		
Montgomery Cnty IDA Rev (Whitemarsh Con Care Proj) Ser 05 6.00%, 2/01/21	875	882,639
Pennsylvania Parking Fac (30th St Station Garage Proj) ACA Ser 02A AMT 5.875%, 6/01/33	2,050	2,185,402
Pennsylvania Trpk Transp Rev AMBAC Ser 01 5.00%, 7/15/41	2,000	2,077,240
Philadelphia Hosp Rev (Temple Univ Hosp) Ser 93A 6.625%, 11/15/23	3,000	3,048,150
		----- 8,193,431 -----
Rhode Island-1.3%		

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Rhode Island Hlth & Ed Bldg Corp (Times2 Academy) Ser 04 5.00%, 12/15/24	4,100	4,179,745

South Carolina-0.2% Richland Lexington Arpt Rev (Columbia Met Arpt) FSA Ser 04 AMT 5.125%, 1/01/25	500	521,495

Texas-22.0% Bexar Cnty Hsg Fin Corp MFHR (Doral Club & Sutton House Apts) MBIA Ser 01A 5.55%, 10/01/36	15,000	14,874,900
Dallas-Fort Worth Arpt Rev (Int'l Arpt) FGIC Ser 01 AMT 5.50%, 11/01/35	10,000	10,480,600

Gulf Coast Waste Disp Auth (Anheuser-Busch Proj) Ser 02 AMT 5.90%, 4/01/36	9,000	9,677,970
Harris Cnty (Flood Ctl) Ser 03B 5.00%, 10/01/23	2,600	2,770,950
Harris Cnty Toll Road Rev FSA Ser 02 5.125%, 8/15/32	2,500	2,623,275
Hidalgo Cnty Hlth Svcs (Mission Hosp Inc Proj) Ser 05 5.00%, 8/15/14 - 8/15/19	765	786,195
Houston (Northeast Wtr Purification Proj) FGIC Ser 02 5.125%, 3/01/32	7,000	7,327,180
Matagorda Cnty Util Rev (Centerpoint Energy Proj) Ser 04 5.60%, 3/01/27	1,000	1,053,420
Richardson Hosp Auth Rev (Richardson Regional) Ser 04 5.875%, 12/01/24	2,310	2,450,956
6.00%, 12/01/19	1,830	2,015,416
San Antonio Arpt Rev FGIC Ser 02A AMT 5.25%, 7/01/27	5,250	5,475,435
Seguin High Ed Fac Rev (Texas Lutheran University Proj) Ser 04 5.25%, 9/01/33	1,250	1,250,875
Texas GO Ser 02A AMT 5.50%, 8/01/41	9,470	10,054,393

		70,841,565

Utah-0.8% Davis Cnty Sales Tax Rev AMBAC Ser 03B 5.25%, 10/01/23	1,000	1,099,060
Utah Hsg Corp MFHR (Bluffs Apts Proj) GNMA Ser 02A AMT		

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5.60%, 7/20/30	1,480	1,562,258

		2,661,318

Virginia-2.8%		
Fauquier Cnty IDA Hosp Rev (Fauquier Hospital) Asset Gty Ser 02 5.25%, 10/01/31	8,500	9,015,015

Washington-4.2%		
King Cnty Swr Rev FSA Ser 02A 5.25%, 1/01/32 Twenty-Fifth Ave Pptys (University of WA) MBIA Ser 02 5.25%, 6/01/33	3,000 9,750	3,177,930 10,351,478

		13,529,408

Wisconsin-7.9%		
Wisconsin Hlth & Ed Fac Auth Rev (Bell Tower Residence Proj) Ser 05 5.00%, 7/01/20 5.00%, 7/01/25	485 1,000	504,555 1,011,290
Wisconsin Hlth & Ed Fac Hosp Rev (Ministry Hlth Care) MBIA Ser 02A 5.25%, 2/15/32 Wisconsin Hsg Auth SFMR (Mtg Rev) MBIA Ser 02A AMT 5.60%, 5/01/33 (Mtg Rev) Ser 02A AMT 5.50%, 9/01/32	13,615 4,885 4,360	14,390,783 5,232,421 4,400,941

		25,539,990

Total Long-Term Municipal Bonds (cost \$482,007,376)		512,539,297

Short Term Municipal Note (d)-0.2%		
South Carolina-0.2%		
Florence Cnty Solid Waste Disp & Wastewtr Treatment (Roche Carolina Inc Proj) Ser 98 AMT 2.02%, 4/01/28	500	500,000

Total Short Term Municipal Note (cost \$500,000)		500,000

Total Investments-159.2% (cost \$482,507,376)		513,039,297
Other assets less liabilities-1.3%		4,233,883
Preferred Stock at redemption value-(60.5%)		(195,000,000)

Net Assets Applicable to Common Shareholders-100%(e)		\$ 322,273,180

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INTEREST RATE SWAP TRANSACTIONS

Swap Counterparty	Notional Amount (000)	Termination Date	Rate Type		Unrealized Appreciation (Depreciation)
			Payments made by the Portfolio	Payments received by the Portfolio	
Goldman Sachs	\$26,700	02/03/06	76.48% of 1 Month LIBOR**	BMA*	\$ (28,823)
Merrill Lynch	26,700	02/03/06	BMA*	85.10% of 1 Month LIBOR**	123,01
Merrill Lynch +	9,000	11/01/19	3.90	BMA*	(125,406)
JP Morgan ++	3,300	11/05/24	4.15	BMA*	(91,674)

* BMA (Bond Market Association)

** LIBOR (London Interbank Offered Rate)

+ Represents a forward interest rate swap whose effective date for the exchange of cash flows is May 1, 2005.

++ Represents a forward interest rate swap whose effective date for the exchange of cash flows is May 5, 2005.

FINANCIAL FUTURES CONTRACTS SOLD

Type	Number of Contracts	Expiration Month	Original Value	Value at January 31, 2005	Unrealized Depreciation
U.S. T-Note 10 Yr Future	84	March 2005	\$9,308,591	\$9,430,313	\$ (121,722)
Swap 10 Yr Future	64	March 2005	6,998,260	7,138,000	(139,740)
					----- \$ (261,462) -----

- (a) Positions, or portions thereof, with a market value of \$576,332 have been segregated to collateralize margin requirements for open futures contracts.
- (b) Represents entire or partial position as collateral for interest rate swaps.
- (c) Indicates a security that has a zero coupon that remains in effect until a predetermined date at which time the stated coupon rate becomes effective until final maturity.

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- (d) Variable Rate Demand Notes (VRDN) are instruments whose interest rates change on a specific date (such as coupon date or interest payment date) or whose interest rates vary with changes in a designated base rate (such as the prime interest rate). This instrument is payable on demand and is secured by letters of credit or other credit support agreements from major banks.
- (e) Portfolio percentages are calculated based on net assets applicable to common shareholders.

Glossary of Terms:

ACA	-American Capital Access Financial Guaranty Corporation
AMBAC	-American Municipal Bond Assurance Corporation
AMT	-Alternative Minimum Tax- (subject to)
CDD	-Community Development District
CFD	-Communities Facilities District
COP	-Certificate of Participation
FGIC	-Financial Guaranty Insurance Company
FNMA	-Federal National Mortgage Association
FSA	-Financial Security Assurance, Inc.
GNMA	-Government National Mortgage Association
GO	-General Obligation
HFA	-Housing Finance Authority
IDA	-Industrial Development Authority
IDR	-Industrial Development Revenue
MBIA	-Municipal Bond Investors Assurance
MFHR	-Multi-Family Housing Revenue
SFMR	-Single Family Mortgage Revenue
SWR	-Solid Waste Revenue
XLCA	-XL Capital Assurance

ITEM 2. CONTROLS AND PROCEDURES.

(a) The registrant's principal executive officer and principal financial officer have concluded that the registrant's disclosure controls and procedures (as defined in Rule 30a-2(c) under the Investment Company Act of 1940, as amended) are effective at the reasonable assurance level based on their evaluation of these controls and procedures as of a date within 90 days of the filing date of this document.

(b) There were no significant changes in the registrant's internal controls that could significantly affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

ITEM 3. EXHIBITS.

The following exhibits are attached to this Form N-Q:

EXHIBIT NO.	DESCRIPTION OF EXHIBIT
11(a)(1)	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
11(a)(2)	Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

SIGNATURES

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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): Alliance National Municipal Income Fund, Inc.

By: /s/ Marc O. Mayer

Marc O. Mayer
President

Date: March 31, 2005

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: /s/ Marc O. Mayer

Marc O. Mayer
President

Date: March 31, 2005

By: /s/ Mark D. Gersten

Mark D. Gersten
Treasurer and Chief Financial Officer

Date: March 31, 2005