



Press Release

February 5, 2007

LIBERTY ALL-STAR® EQUITY FUND RELEASES (REVISED) TAX INFORMATION

BOSTON, February 5, 2007 – Liberty All-Star Equity Fund (NYSE: USA) announces the final tax status for its 2006 distributions as follows:

Record Date	Payable Date	Amount per Share	Total Ordinary Dividends		Long-term Capital Gains	Return of Capital
			Qualified	Non-Qualified		
* 11/10/05	01/03/06	\$0.21	10.24%	—	87.17%	2.59%
03/03/06	03/20/06	\$0.23	10.24%	—	87.17%	2.59%
06/02/06	06/19/06	\$0.22	10.24%	—	87.17%	2.59%
09/01/06	09/18/06	\$0.21	10.24%	—	87.17%	2.59%
**11/10/06	01/02/07	\$0.22	—	—	—	—

* Pursuant to Section 852 of the Internal Revenue Code, the taxability of this distribution will be reported in the Form 1099-DIV for 2006.

** Pursuant to Section 852 of the Internal Revenue Code, the taxability of this distribution will be reported in the Form 1099-DIV for 2007.

These revised tax designations are based upon tax reporting requirements and should be used by shareholders for tax return preparation.

ALPS Advisers, Inc. is the fund manager of the All-Star Equity Fund, a multi-managed, closed-end investment company with more than \$1.4 billion in net assets. The Fund's shares are listed on the New York Stock Exchange under the symbol USA.

**FOR INFORMATION CONTACT:
ALPS ADVISERS, INC.
617-434-5949
WWW.ALL-STARFUNDS.COM**