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FILER

DREYFUS FLORIDA INTERMEDIATE MUNICIPAL BOND FUND

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April 11, 1994
DREYFUS FLORIDA INTERMEDIATE
MUNICIPAL BOND FUND
SUPPLEMENT TO PROSPECTUS
DATED APRIL 11, 1994

The following information supplements and should be read in conjunction with the section of the Fund's Prospectus entitled "Management of the Fund."

The Fund's manager, The Dreyfus Corporation ("Dreyfus"), has entered into an Agreement and Plan of Merger (the "Merger Agreement") providing for the merger of Dreyfus with a subsidiary of Mellon Bank Corporation ("Mellon").

Following the merger, it is planned that Dreyfus will be a direct subsidiary of Mellon Bank, N.A. Closing of this merger is subject to a number of contingencies, including receipt of certain regulatory approvals and approvals of the stockholders of Dreyfus and of Mellon. The merger is expected to occur in mid-1994, but could occur significantly later. As a result of regulatory requirements and the terms of the Merger Agreement, Dreyfus will seek various approvals from the Fund's board and shareholders before completion of the merger. Shareholder approval will be solicited by a proxy statement.

The following information supplements and should be read in conjunction with the section of the Fund's Prospectus entitled "Performance Information."

From time to time advertising materials for the Fund also may refer to Value Line Mutual Fund Survey company ratings and related analyses supporting the rating.

740/stkr041194

PROSPECTUS

APRIL 11, 1994

DREYFUS FLORIDA INTERMEDIATE MUNICIPAL BOND FUND

DREYFUS FLORIDA INTERMEDIATE MUNICIPAL BOND FUND (THE "FUND") IS AN OPEN-END, NON-DIVERSIFIED, MANAGEMENT INVESTMENT COMPANY, KNOWN AS A MUNICIPAL BOND FUND. ITS GOAL IS TO PROVIDE YOU WITH AS HIGH A LEVEL OF CURRENT INCOME EXEMPT FROM FEDERAL INCOME TAX AS IS CONSISTENT WITH THE PRESERVATION OF CAPITAL. THE DOLLAR-WEIGHTED AVERAGE MATURITY OF THE FUND'S PORTFOLIO RANGES BETWEEN THREE AND TEN YEARS.

YOU CAN INVEST, REINVEST OR REDEEM SHARES AT ANY TIME WITHOUT CHARGE OR PENALTY.

THE FUND PROVIDES FREE REDEMPTION CHECKS, WHICH YOU CAN USE IN AMOUNTS OF \$500 OR MORE FOR CASH OR TO PAY BILLS. YOU CONTINUE TO EARN INCOME ON THE AMOUNT OF THE CHECK UNTIL IT CLEARS. YOU CAN PURCHASE OR REDEEM SHARES BY TELEPHONE USING DREYFUS TELETRANSFER.

THE DREYFUS CORPORATION PROFESSIONALLY MANAGES THE FUND'S PORTFOLIO.

THIS PROSPECTUS SETS FORTH CONCISELY INFORMATION ABOUT THE FUND THAT YOU SHOULD KNOW BEFORE INVESTING. IT SHOULD BE READ AND RETAINED FOR FUTURE REFERENCE.

PART B (ALSO KNOWN AS THE STATEMENT OF ADDITIONAL INFORMATION), DATED APRIL 11, 1994, WHICH MAY BE REVISED FROM TIME TO TIME, PROVIDES A FURTHER DISCUSSION OF CERTAIN AREAS IN THIS PROSPECTUS AND OTHER MATTERS WHICH MAY BE OF INTEREST TO SOME INVESTORS. IT HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION AND IS INCORPORATED HEREIN BY REFERENCE. FOR A FREE COPY, WRITE TO THE FUND AT 144 GLENN CURTISS BOULEVARD, UNIONDALE, NEW YORK 11556-0144, OR CALL 1-800-645-6561. WHEN TELEPHONING, ASK FOR OPERATOR 666.

THE FUND'S SHARES ARE NOT DEPOSITS OR OBLIGATIONS OF, OR GUARANTEED OR ENDORSED BY, ANY BANK, AND ARE NOT FEDERALLY INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION, THE FEDERAL RESERVE BOARD OR ANY OTHER AGENCY. THE FUND'S SHARES INVOLVE CERTAIN INVESTMENT RISKS, INCLUDING THE POSSIBLE LOSS OF PRINCIPAL. THE FUND'S SHARE PRICE, YIELD AND INVESTMENT RETURN FLUCTUATE AND ARE NOT GUARANTEED.

TABLE OF CONTENTS

	PAGE
ANNUAL FUND OPERATING EXPENSES.....	2
CONDENSED FINANCIAL INFORMATION.....	2
DESCRIPTION OF THE FUND.....	3
MANAGEMENT OF THE FUND.....	13
HOW TO BUY FUND SHARES.....	14
SHAREHOLDER SERVICES.....	15

HOW TO REDEEM FUND SHARES.....	18
SHAREHOLDER SERVICES PLAN.....	20
DIVIDENDS, DISTRIBUTIONS AND TAXES.....	20
PERFORMANCE INFORMATION.....	22
GENERAL INFORMATION.....	22

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

ANNUAL FUND OPERATING EXPENSES

(as a percentage of average daily net assets)

Management Fees.....	.60%
Other Expenses.....	.24%
Total Fund Operating Expenses.....	.84%

EXAMPLE: 1 YEAR 3 YEARS 5 YEARS 10 YEARS

You would pay the following expenses on a \$1,000 investment, assuming (1) 5% annual return and (2) redemption at the end of each time period:

	\$9	\$27	\$47	\$104
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THE AMOUNTS LISTED IN THE EXAMPLE SHOULD NOT BE CONSIDERED AS REPRESENTATIVE OF PAST OR FUTURE EXPENSES AND ACTUAL EXPENSES MAY BE GREATER OR LESS THAN THOSE INDICATED. MOREOVER, WHILE THE EXAMPLE ASSUMES A 5% ANNUAL RETURN, THE FUND'S ACTUAL PERFORMANCE WILL VARY AND MAY RESULT IN AN ACTUAL RETURN GREATER OR LESS THAN 5%.

The purpose of the foregoing table is to assist you in understanding the various costs and expenses borne by the Fund, and therefore indirectly by investors, the payment of which will reduce investors' return on an annual basis. The information in the foregoing table does not reflect any fee waivers or expense reimbursement arrangements that may be in effect. You can purchase Fund shares without charge directly from Dreyfus Service Corporation; you may be charged a nominal fee if you effect transactions in Fund shares through a securities dealer, bank or other financial institution. See "Management of the Fund" and "Shareholder Services Plan."

CONDENSED FINANCIAL INFORMATION

The information in the following table has been audited by Ernst & Young, the Fund's independent auditors, whose report thereon appears in the Statement of Additional Information. Further financial data and related notes are included in the Statement of Additional Information, available upon request.

FINANCIAL HIGHLIGHTS

Contained below is per share operating performance for a share of beneficial interest outstanding, total investment return, ratios to average net assets and other supplemental data for each year indicated. This information has been derived from information provided in the Fund's financial statements.

<TABLE>
<CAPTION>

	YEAR ENDED DECEMBER 31,	
	1992 (1)	1993
PER SHARE DATA:		
<S>	<C>	<C>
Net asset value, beginning of year.....	\$12.50	\$12.94
INVESTMENT OPERATIONS:		
Investment income-net.....	.69	.70
Net realized and unrealized gain on investments.....	.44	.92
TOTAL FROM INVESTMENT OPERATIONS.....	1.13	1.62
DISTRIBUTIONS:		
Dividends from investment income-net.....	(.69)	(.70)
Dividends from net realized gain on investments.....	--	(.01)
TOTAL DISTRIBUTIONS.....	(.69)	(.71)
Net asset value, end of year.....	\$12.94	\$13.85
TOTAL INVESTMENT RETURN	9.86% (2)	12.84%
RATIOS/SUPPLEMENTAL DATA:		
Ratio of expenses to average net assets.....	--	.20%
Ratio of net investment income to average net assets.....	5.78% (2)	5.20%

Decrease reflected in above expense ratios due to undertaking		
by The Dreyfus Corporation.....	1.00%(2)	.64%
Portfolio Turnover Rate.....	13.01%(3)	13.48%
Net Assets, end of year (000's omitted).....	\$332,582	\$538,495

</TABLE>

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- (1) From January 21, 1992 (commencement of operations) to December 31, 1992.
 - (2) Annualized.
 - (3) Not annualized.

Further information about the Fund's performance is contained in the Fund's annual report, which may be obtained without charge by writing to the address or calling the number set forth on the cover page of this Prospectus.

(2)

DESCRIPTION OF THE FUND

INVESTMENT OBJECTIVE - The Fund's goal is to provide you with as high a level of current income exempt from Federal income tax as is consistent with the preservation of capital. To accomplish this goal, the Fund will invest primarily in the debt securities of the State of Florida, its political subdivisions, authorities and corporations, the interest from which is, in the opinion of bond counsel to the issuer, exempt from Federal income tax (collectively, "Florida Municipal Obligations"). To the extent acceptable Florida Municipal Obligations are at any time unavailable for investment by the Fund, the Fund will invest temporarily in other debt securities the interest from which is, in the opinion of bond counsel to the issuer, exempt from Federal income tax. The dollar-weighted average maturity of the Fund's portfolio ranges between three and ten years. The Fund's investment objective cannot be changed without approval by the holders of a majority (as defined in the Investment Company Act of 1940) of the Fund's outstanding voting shares. There can be no assurance that the Fund's investment objective will be achieved.

MUNICIPAL OBLIGATIONS - Debt securities the interest from which is, in the opinion of bond counsel to the issuer, exempt from Federal income tax ("Municipal Obligations") generally include debt obligations issued to obtain funds for various public purposes as well as certain industrial development bonds issued by or on behalf of public authorities. Municipal Obligations are classified as general obligation bonds, revenue bonds and notes. General obligation bonds are secured by the issuer's pledge of its faith, credit and taxing power for the payment of principal and interest. Revenue bonds are payable from the revenue derived from a particular facility or class of facilities or, in some cases, from the proceeds of a special excise or other specific revenue source, but not from the general taxing power. Tax exempt industrial development bonds, in most cases, are revenue bonds that do not carry the pledge of the credit of the issuing municipality, but generally are guaranteed by the corporate entity on whose behalf they are issued. Notes are short-term instruments which are obligations of the issuing municipalities or agencies and are sold in anticipation of a bond sale, collection of taxes or receipt of other revenues. Municipal Obligations include municipal lease/purchase agreements which are similar to installment purchase contracts for property or equipment issued by municipalities. Municipal Obligations bear fixed, floating or variable rates of interest, which are determined in some instances by formulas under which the Municipal Obligation's interest rate will change directly or inversely to changes in interest rates or an index, or multiples thereof, in many cases subject to a maximum and minimum. Certain Municipal Obligations are subject to redemption at a date earlier than their stated maturity pursuant to call options, which may be separated from the related Municipal Obligation and purchased and sold separately.

MANAGEMENT POLICIES - It is a fundamental policy of the Fund that it will invest at least 80% of the value of its net assets (except when maintaining a temporary defensive position) in Municipal Obligations. At least 65% of the value of the Fund's net assets (except when maintaining a temporary defensive position) will be invested in bonds and debentures. Under normal circumstances, at least 65% of the value of the Fund's net assets will be invested in Florida Municipal Obligations. The Fund will seek to invest in securities which are exempt from the Florida intangible personal property tax. See "Risk Factors-Investing in Florida Municipal Obligations" below, and "Dividends, Distributions and Taxes."

At least 80% of the value of the Fund's net assets must consist of Municipal Obligations which, in the case of bonds, are rated no lower than Baa by Moody's Investors Service, Inc. ("Moody's") or BBB by Standard & Poor's Corporation ("S&P") or Fitch Investors Service, Inc. ("Fitch"). The Fund may invest up to 20% of the value of its net assets in Municipal Obligations which, in the case of bonds, are rated lower than Baa by Moody's and BBB by S&P and Fitch and as low as the lowest rating assigned by Moody's, S&P or Fitch, but it currently is the intention of the Fund that this portion of the Fund's portfolio be invested primarily in Municipal Obligations rated no lower than Baa by Moody's or BBB by S&P or Fitch. The Fund may invest in short-term Municipal Obligations which are rated in

the two highest rating categories by Moody's, S&P or Fitch. See "Appendix B" in the Statement of Additional Information. Municipal Obligations rated BBB by S&P or Fitch or Baa by Moody's are considered investment grade obligations; those rated BBB by S&P or Fitch are regarded as having an adequate capacity to pay principal and interest, while those rated Baa by

(3)

Moody's are considered medium grade obligations which lack outstanding investment characteristics and have speculative characteristics. Investments rated Ba or lower by Moody's and BB or lower by S&P and Fitch ordinarily provide higher yields but involve greater risk because of their speculative characteristics. The Fund may invest in Municipal Obligations rated C by Moody's or D by S&P or Fitch, which is such rating organizations' lowest rating, and indicates that the Municipal Obligation is in default and interest and/or repayment of principal is in arrears. See "Risk Factors-Lower Rated Bonds" below for a further discussion of certain risks. The Fund also may invest in securities which, while not rated, are determined by The Dreyfus Corporation to be of comparable quality to the rated securities in which the Fund may invest; for purposes of the 80% requirement described above, such unrated securities shall be deemed to have the rating so determined. The Fund also may invest in Taxable Investments of the quality described below.

The Fund may invest more than 25% of the value of its total assets in Municipal Obligations which are related in such a way that an economic, business or political development or change affecting one such security also would affect the other securities; for example, securities the interest upon which is paid from revenues of similar types of projects. As a result, the Fund may be subject to greater risk as compared to a fund that does not follow this practice.

From time to time, the Fund may invest more than 25% of the value of its total assets in industrial development bonds which, although issued by industrial development authorities, may be backed only by the assets and revenues of the non-governmental users. Interest on Municipal Obligations (including certain industrial development bonds) which are specified private activity bonds, as defined in the Internal Revenue Code of 1986, as amended (the "Code"), issued after August 7, 1986, while exempt from Federal income tax, is a preference item for the purpose of the alternative minimum tax. Where a regulated investment company receives such interest, a proportionate share of any exempt-interest dividend paid by the investment company may be treated as such a preference item to shareholders. The Fund may invest without limitation in such Municipal Obligations if The Dreyfus Corporation determines that their purchase is consistent with the Fund's investment objective. See "Risk Factors-Other Investment Considerations" below.

The Fund also may purchase floating and variable rate demand notes and bonds, which are tax exempt obligations ordinarily having stated maturities in excess of one year, but which permit the holder to demand payment of principal at any time, or at specified intervals. Variable rate demand notes include master demand notes which are obligations that permit the Fund to invest fluctuating amounts, which may change daily without penalty, pursuant to direct arrangements between the Fund, as lender, and the borrower. The interest rates on these obligations fluctuate from time to time. Frequently, such obligations are secured by letters of credit or other credit support arrangements provided by banks. Use of letters of credit or other credit support arrangements will not adversely affect the tax exempt status of these obligations. Because these obligations are direct lending arrangements between the lender and borrower, it is not contemplated that such instruments generally will be traded, and there generally is no established secondary market for these obligations, although they are redeemable at face value. Accordingly, where these obligations are not secured by letters of credit or other credit support arrangements, the Fund's right to redeem is dependent on the ability of the borrower to pay principal and interest on demand. Each obligation purchased by the Fund will meet the quality criteria established for the purchase of Municipal Obligations. The Dreyfus Corporation, on behalf of the Fund, will consider on an ongoing basis the creditworthiness of the issuers of the floating and variable rate demand obligations in the Fund's portfolio. The Fund will not invest more than 15% of the value of its net assets in floating or variable rate demand obligations as to which it cannot exercise the demand feature on not more than seven days' notice if there is no secondary market available for these obligations, and in other illiquid securities.

The Fund may purchase from financial institutions participation interests in Municipal Obligations (such as industrial development bonds and municipal lease/purchase agreements). A participation interest gives the Fund an undivided interest in the Municipal Obligation in the proportion that the Fund's participation interest bears to the total principal amount of the Municipal Obligation. These instruments may have fixed, floating or variable rates of interest. If the participation interest is unrated, it will be backed by an irrevocable letter of

(4)

credit or guarantee of a bank that the Board of Trustees has determined meets the prescribed quality standards for banks set forth below, or the payment obligation otherwise will be collateralized by U.S. Government securities. For certain participation interests, the Fund will have the right to demand payment, on not more than seven days' notice, for all or any part of the Fund's participation interest in the Municipal Obligation, plus accrued interest. As to these instruments, the Fund intends to exercise its right to demand payment only upon a default under the terms of the Municipal Obligation, as needed to provide liquidity to meet redemptions, or to maintain or improve the quality of its investment portfolio. The Fund will not invest more than 15% of the value of its net assets in participation interests that do not have this demand feature if there is no secondary market available for these instruments, and in other illiquid securities.

The Fund may purchase custodial receipts representing the right to receive certain future principal and interest payments on Municipal Obligations which underlie the custodial receipts. A number of different arrangements are possible. In a typical custodial receipt arrangement, an issuer or a third party owner of Municipal Obligations deposits such obligations with a custodian in exchange for two classes of custodial receipts. The two classes have different characteristics, but, in each case, payments on the two classes are based on payments received on the underlying Municipal Obligations. One class has the characteristics of a typical auction rate security, where at specified intervals its interest rate is adjusted, and ownership changes, based on an auction mechanism. This class's interest rate generally is expected to be below the coupon rate of the underlying Municipal Obligations and generally is at a level comparable to that of a Municipal Obligation of similar quality and having a maturity equal to the period between interest rate adjustments. The second class bears interest at a rate that exceeds the interest rate typically borne by a security of comparable quality and maturity; this rate also is adjusted, but in this case inversely to changes in the rate of interest of the first class. If the interest rate on the first class exceeds the coupon rate of the underlying Municipal Obligations, its interest rate will exceed the rate paid on the second class. In no event will the aggregate interest paid with respect to the two classes exceed the interest paid by the underlying Municipal Obligations. The value of the second class and similar securities should be expected to fluctuate more than the value of a Municipal Obligation of comparable quality and maturity and their purchase by the Fund should increase the volatility of its net asset value and, thus, its price per share. These custodial receipts are sold in private placements. The Fund also may purchase directly from issuers, and not in a private placement, Municipal Obligations having characteristics similar to custodial receipts. These securities may be issued as part of a multi-class offering and the interest rate on certain classes may be subject to a cap or floor.

The Fund may invest up to 15% of the value of its net assets in securities as to which a liquid trading market does not exist, provided such investments are consistent with the Fund's investment objective. Such securities may include securities that are not readily marketable, such as certain securities that are subject to legal or contractual restrictions on resale and repurchase agreements providing for settlement in more than seven days after notice. As to these securities, the Fund is subject to a risk that should the Fund desire to sell them when a ready buyer is not available at a price that the Fund deems representative of their value, the value of the Fund's net assets could be adversely affected. However, if a substantial market of qualified institutional buyers develops pursuant to Rule 144A under the Securities Act of 1933, as amended, for certain of these securities held by the Fund, the Fund intends to treat such securities as liquid securities in accordance with procedures approved by the Fund's Board of Trustees. Because it is not possible to predict with assurance how the market for restricted securities pursuant to Rule 144A will develop, the Fund's Board of Trustees has directed The Dreyfus Corporation to monitor carefully the Fund's investments in such securities with particular regard to trading activity, availability of reliable price information and other relevant information. To the extent that for a period of time, qualified institutional buyers cease purchasing restricted securities pursuant to Rule 144A, the Fund's investing in such securities may have the effect of increasing the level of illiquidity in the Fund's portfolio during such period.

The Fund may acquire "stand-by commitments" with respect to Municipal Obligations held in its portfolio. Under a stand-by commitment, the Fund obligates a broker, dealer or bank to repurchase, at the Fund's option, specified securities at a specified price and, in this respect, stand-by commitments are comparable to

(5)

put options. The exercise of a stand-by commitment therefore is subject to the ability of the seller to make payment on demand. The Fund will acquire stand-by commitments solely to facilitate portfolio liquidity and does not intend to exercise its rights

thereunder for trading purposes. The Fund may pay for stand-by commitments if such action is deemed necessary, thus increasing to a degree the cost of the underlying Municipal Obligation and similarly decreasing such security's yield to investors. The Fund also may acquire call options on specific Municipal Obligations. The Fund generally would purchase these call options to protect the Fund from the issuer of the related Municipal Obligation redeeming, or other holder of the call option from calling away, the Municipal Obligation before maturity. The sale by the Fund of a call option that it owns on a specific Municipal Obligation could result in the receipt of taxable income by the Fund.

The Fund may purchase tender option bonds. A tender option bond is a Municipal Obligation (generally held pursuant to a custodial arrangement) having a relatively long maturity and bearing interest at a fixed rate substantially higher than the prevailing short-term tax exempt rates, that has been coupled with the agreement of a third party, such as a bank, broker-dealer or other financial institution, pursuant to which such institution grants the security holders the option, at periodic intervals, to tender their securities to the institution and receive the face value thereof. As consideration for providing the option, the financial institution receives periodic fees equal to the difference between the Municipal Obligation's fixed coupon rate and the rate, as determined by a remarketing or similar agent at or near the commencement of such period, that would cause the securities, coupled with the tender option, to trade at par on the date of such determination. Thus, after payment of this fee, the security holder effectively holds a demand obligation that bears interest at the prevailing short-term tax exempt rate. The Dreyfus Corporation, on behalf of the Fund, will consider on an ongoing basis the creditworthiness of the issuer of the underlying Municipal Obligations, of any custodian and of the third party provider of the tender option. In certain instances and for certain tender option bonds, the option may be terminable in the event of a default in payment of principal or interest on the underlying Municipal Obligations and for other reasons. The Fund will not invest more than 15% of the value of its net assets in securities that are illiquid, which would include tender option bonds as to which it cannot exercise the tender feature on not more than seven days' notice if there is no secondary market available for these obligations.

The Fund may invest in zero coupon securities which are debt securities issued or sold at a discount from their face value which do not entitle the holder to any periodic payment of interest prior to maturity or a specified redemption date (or cash payment date). The amount of the discount varies depending on the time remaining until maturity or cash payment date, prevailing interest rates, liquidity of the security and perceived credit quality of the issuer. Zero coupon securities also may take the form of debt securities that have been stripped of their unmatured interest coupons, the coupons themselves and receipts or certificates representing interests in such stripped debt obligations and coupons. The market prices of zero coupon securities generally are more volatile than the market prices of interest-bearing securities and are likely to respond to a greater degree to changes in interest rates than interest-bearing securities having similar maturities and credit qualities. See "Risk Factors-Lower Rated Bonds" and "Other Investment Considerations" below, and "Investment Objective and Management Policies-Risk Factors- Lower Rated Bonds" and "Dividends, Distributions and Taxes" in the Statement of Additional Information.

From time to time, on a temporary basis other than for temporary defensive purposes (but not to exceed 20% of the value of the Fund's net assets) or for temporary defensive purposes, the Fund may invest in taxable short-term investments ("Taxable Investments") consisting of: notes of issuers having, at the time of purchase, a quality rating within the two highest grades of Moody's, S&P or Fitch; obligations of the U.S. Government, its agencies or instrumentalities; commercial paper rated not lower than P-1 by Moody's, A-1 by S&P or F-1 by Fitch; certificates of deposit of U.S. domestic banks, including foreign branches of domestic banks, with assets of one billion dollars or more; time deposits; bankers' acceptances and other short-term bank obligations; and repurchase agreements in respect of any of the foregoing. Dividends paid by the Fund that are attributable to income earned by the Fund from Taxable Investments will be taxable to investors. See "Dividends, Distributions and Taxes." Except for temporary defensive purposes, at no time will more than 20% of the

(6)

value of the Fund's net assets be invested in Taxable Investments. When the Fund has adopted a temporary defensive position, including when acceptable Florida Municipal Obligations are unavailable for investment by the Fund, in excess of 35% of the Fund's net assets may be invested in securities other than Florida Municipal Obligations. Under normal market conditions, the Fund anticipates that not more than 5% of the value of its total assets will be invested in any one category of Taxable Investments. Taxable Investment are more fully described in the Statement of Additional Information, to which reference hereby is made.

INVESTMENT TECHNIQUES

The Fund may employ, among others, the investment techniques described below. Use of these techniques may give rise to taxable income.

WHEN-ISSUED SECURITIES - New issues of Municipal Obligations usually are offered on a when-issued basis, which means that delivery and payment for such Municipal Obligations ordinarily take place within 45 days after the date of the commitment to purchase. The payment obligation and the interest rate that will be received on the Municipal Obligations are fixed at the time the Fund enters into the commitment. The Fund will make commitments to purchase such Municipal Obligations only with the intention of actually acquiring the securities, but the Fund may sell these securities before the settlement date if it is deemed advisable, although any gain realized on such sale would be taxable. The Fund will not accrue income in respect of a when-issued security prior to its stated delivery date. No additional when-issued commitments will be made for the Fund if more than 20% of the value of the Fund's net assets would be so committed.

Municipal Obligations purchased on a when-issued basis and the securities held in the Fund's portfolio are subject to changes in value (both generally changing in the same way, i.e., appreciating when interest rates decline and depreciating when interest rates rise) based upon the public's perception of the creditworthiness of the issuer and changes, real or anticipated, in the level of interest rates. Municipal Obligations purchased on a when-issued basis may expose the Fund to risk because they may experience such fluctuations prior to their actual delivery. Purchasing Municipal Obligations on a when-issued basis can involve the additional risk that the yield available in the market when the delivery takes place actually may be higher than that obtained in the transaction itself. A segregated account consisting of cash, cash equivalents or U.S. Government securities or other high quality liquid debt securities at least equal at all times to the amount of the when-issued commitments will be established and maintained at the Fund's custodian bank. Purchasing Municipal Obligations on a when-issued basis when the Fund is fully or almost fully invested may result in greater potential fluctuation in the value of the Fund's net assets and its net asset value per share.

FUTURES TRANSACTIONS - IN GENERAL -The Fund is not a commodity pool. However, as a substitute for a comparable market position in the underlying securities or for hedging purposes, the Fund may engage, to the extent permitted by applicable regulations, in futures and options on futures transactions as described below.

The Fund's commodities transactions must constitute bona fide hedging or other permissible transactions pursuant to regulations promulgated by the Commodity Futures Trading Commission. In addition, the Fund may not engage in such transactions if the sum of the amount of initial margin deposits and premiums paid for unexpired commodity options, other than for bona fide hedging transactions, would exceed 5% of the liquidation value of the Fund's assets, after taking into account unrealized profits and unrealized losses on such contracts it has entered into; provided, however, that in the case of an option that is in-the-money at the time of purchase, the in-the-money amount may be excluded in calculating the 5%. Pursuant to regulations and/or published positions of the Securities and Exchange Commission, the Fund may be required to segregate cash or high quality money market instruments in connection with its commodities transactions in an amount generally equal to the value of the underlying commodity.

Initially, when purchasing or selling futures contracts the Fund will be required to deposit with its custodian in the broker's name an amount of cash or cash equivalents up to approximately 10% of the contract amount. This amount is subject to change by the exchange or board of trade on which the contract is traded and members of such exchange or board of trade may impose their own higher requirements. This amount is known as "initial margin" and is in the nature of a performance bond or good faith deposit on the contract

(7)

which is returned to the Fund upon termination of the futures position, assuming all contractual obligations have been satisfied. Subsequent payments, known as "variation margin," to and from the broker will be made daily as the price of the index or securities underlying the futures contract fluctuates, making the long and short positions in the futures contract more or less valuable, a process known as "marking-to-market." At any time prior to the expiration of a futures contract, the Fund may elect to close the position by taking an opposite position at the then prevailing price, which will operate to terminate the Fund's existing position in the contract.

Although the Fund intends to purchase or sell futures contracts only if there is an active market for such contracts, no assurance can be given that a liquid market will exist for any particular contract at any particular time. Many futures exchanges and boards of trade limit the amount of fluctuation permitted in futures contract prices during a single trading day. Once the daily limit has been reached in a particular contract, no trades may be made that day at a price beyond the limit or trading may be suspended for specified periods during the trading day. Futures contract

prices could move to the limit for several consecutive trading days with little or no trading, thereby preventing prompt liquidation of futures positions and potentially subjecting the Fund to a substantial loss. If it is not possible, or the Fund determines not, to close a futures position in anticipation of adverse price movements, the Fund will be required to make daily cash payments of variation margin. In such circumstances, an increase in the value of the portion of the portfolio being hedged, if any, may offset partially or completely losses on the futures contract. However, no assurance can be given that the price of the securities being hedged will correlate with the price movements in a futures contract and thus provide an offset to losses on the futures contract.

In addition, to the extent the Fund is engaging in a futures transaction as a hedging device, due to the risk of an imperfect correlation between securities in the Fund's portfolio that are the subject of a hedging transaction and the futures contract used as a hedging device, it is possible that the hedge will not be fully effective in that, for example, losses on the portfolio securities may be in excess of gains on the futures contract or losses on the futures contract may be in excess of gains on the portfolio securities that were the subject of the hedge. In futures contracts based on indexes, the risk of imperfect correlation increases as the composition of the Fund's portfolio varies from the composition of the index. In an effort to compensate for the imperfect correlation of movements in the price of the securities being hedged and movements in the price of futures contracts, the Fund may buy or sell futures contracts in a greater or lesser dollar amount than the dollar amount of the securities being hedged if the historical volatility of the futures contract has been less or greater than that of the securities. Such "over hedging" or "under hedging" may adversely affect the Fund's net investment results if market movements are not as anticipated when the hedge is established.

Successful use of futures by the Fund also is subject to The Dreyfus Corporation's ability to predict correctly movements in the direction of the market or interest rates. For example, if the Fund has hedged against the possibility of a decline in the market adversely affecting the value of securities held in its portfolio and prices increase instead, the Fund will lose part or all of the benefit of the increased value of securities which it has hedged because it will have offsetting losses in its futures positions. In addition, in such situations, if the Fund has insufficient cash, it may have to sell securities to meet daily variation margin requirements. Such sales of securities may, but will not necessarily, be at increased prices which reflect the rising market. The Fund may have to sell securities at a time when it may be disadvantageous to do so.

An option on a futures contract gives the purchaser the right, in return for the premium paid, to assume a position in a futures contract (a long position if the option is a call and a short position if the option is a put) at a specified exercise price at any time during the option exercise period. The writer of the option is required upon exercise to assume an offsetting futures position (a short position if the option is a call and a long position if the option is a put). Upon exercise of the option, the assumption of offsetting futures positions by the writer and holder of the option will be accompanied by delivery of the accumulated cash balance in the writer's futures margin account which represents the amount by which the market price of the futures contract, at exercise, exceeds, in the case of a call, or is less than, in the case of a put, the exercise price of the option on the futures contract.

Call options sold by the Fund with respect to futures contracts will be covered by, among other things,

(8)

entering into a long position in the same contract at a price no higher than the strike price of the call option, or by ownership of the instruments underlying, or instruments the prices of which are expected to move relatively consistently with the instruments underlying, the futures contract. Put options sold by the Fund with respect to futures contracts will be covered when, among other things, cash or liquid securities are placed in a segregated account to fulfill the obligation undertaken.

The Fund may utilize municipal bond index futures to protect against changes in the market value of the Municipal Obligations in its portfolio or which it intends to acquire. Municipal bond index futures contracts are based on an index of long-term Municipal Obligations. The index assigns relative values to the Municipal Obligations included in an index, and fluctuates with changes in the market value of such Municipal Obligations. The contract is an agreement pursuant to which two parties agree to take or make delivery of an amount of cash based upon the difference between the value of the index at the close of the last trading day of the contract and the price at which the index contract was originally written. The acquisition or sale of a municipal bond index futures contract enables the Fund to protect its assets from fluctuations in rates on tax exempt securities without actually buying or selling such securities.

INTEREST RATE FUTURES CONTRACTS AND OPTIONS ON INTEREST RATE
FUTURES CONTRACTS - The Fund may purchase and sell interest rate
futures contracts and options on interest rate futures contracts as a

substitute for a comparable market position and to hedge against adverse movements in interest rates.

To the extent the Fund has invested in interest rate futures contracts or options on interest rate futures contracts as a substitute for a comparable market position, the Fund will be subject to the investment risks of having purchased the securities underlying the contract.

The Fund may purchase call options on interest rate futures contracts to hedge against a decline in interest rates and may purchase put options on interest rate futures contracts to hedge its portfolio securities against the risk of rising interest rates.

If the Fund has hedged against the possibility of an increase in interest rates adversely affecting the value of securities held in the Fund's portfolio and rates decrease instead, the Fund will lose part or all of the benefit of the increased value of the securities which it has hedged because it will have offsetting losses in its futures positions. In addition, in such situations, if the Fund has insufficient cash, it may have to sell securities to meet daily variation margin requirements at a time when it may be disadvantageous to do so. These sales of securities may, but will not necessarily, be at increased prices which reflect the decline in interest rates.

The Fund may sell call options on interest rate futures contracts to partially hedge against declining prices of its portfolio securities. If the futures price at expiration of the option is below the exercise price, the Fund will retain the full amount of the option premium which provides a partial hedge against any decline that may have occurred in the Fund's portfolio holdings. The Fund may sell put options on interest rate futures contracts to hedge against increasing prices of the securities which are deliverable upon exercise of the futures contract. If the futures price at expiration of the option is higher than the exercise price, the Fund will retain the full amount of the option premium which provides a partial hedge against any increase in the price of securities which the Fund intends to purchase. If a put or call option sold by the Fund is exercised, the Fund will incur a loss which will be reduced by the amount of the premium it receives. Depending on the degree of correlation between changes in the value of its portfolio securities and changes in the value of its futures positions, the Fund's losses from existing options on futures may to some extent be reduced or increased by changes in the value of its portfolio securities.

The Fund also may sell options on interest rate futures contracts as part of closing purchase transactions to terminate its options positions. No assurance can be given that such closing transactions can be effected or that there will be a correlation between price movements in the options on interest rate futures and price movements in the Fund's portfolio securities which are the subject of the hedge. In addition, the Fund's purchase of such options will be based upon predictions as to anticipated interest rate trends, which could prove to be inaccurate.

SHORT-SELLING - The Fund may make short sales, which are transactions in which the Fund sells a security it does not own in anticipation of a decline in the market value of that security. To complete such a transaction,

(9)

the Fund must borrow the security to make delivery to the buyer. The Fund then is obligated to replace the security borrowed by purchasing it at the market price at the time of replacement. The price at such time may be more or less than the price at which the security was sold by the Fund. Until the security is replaced, the Fund is required to pay to the lender amounts equal to any dividends or interest which accrue during the period of the loan. To borrow the security, the Fund also may be required to pay a premium, which would increase the cost of the security sold. The proceeds of the short sale will be retained by the broker, to the extent necessary to meet margin requirements, until the short position is closed out.

Until the Fund replaces a borrowed security in connection with a short sale, the Fund will: (a) maintain daily a segregated account, containing cash or U.S. Government securities, at such a level that (i) the amount deposited in the account plus the amount deposited with the broker as collateral will equal the current value of the security sold short and (ii) the amount deposited in the segregated account plus the amount deposited with the broker as collateral will not be less than the market value of the security at the time it was sold short; or (b) otherwise cover its short position.

The Fund will incur a loss as a result of the short sale if the price of the security increases between the date of the short sale and the date on which the Fund replaces the borrowed security. The Fund will realize a gain if the security declines in price between those dates. This result is the opposite of what one would expect from a cash purchase of a long position in a security. The amount of any gain will be decreased, and the amount of any loss increased, by the amount of any premium or amounts in lieu of dividends or interest the Fund may be required to pay in connection with a short sale.

The Fund may purchase call options to provide a hedge against an increase

in the price of a security sold short by the Fund. When the Fund purchases a call option it has to pay a premium to the person writing the option and a commission to the broker selling the option. If the option is exercised by the Fund, the premium and the commission paid may be more than the amount of the brokerage commission charged if the security were to be purchased directly.

The Fund anticipates that the frequency of short sales will vary substantially in different periods, and it does not intend that any specified portion of its assets, as a matter of practice, will be invested in short sales. However, no securities will be sold short if, after effect is given to any such short sale, the total market value of all securities sold short would exceed 25% of the value of the Fund's net assets.

In addition to the short sales discussed above, the Fund may make short sales "against the box," a transaction in which the Fund enters into a short sale of a security which the Fund owns. The proceeds of the short sale will be held by a broker until the settlement date at which time the Fund delivers the security to close the short position. The Fund receives the net proceeds from the short sale. The Fund at no time will have more than 15% of the value of its net assets in deposits on short sales against the box. It currently is anticipated that the Fund will make short sales against the box for purposes of protecting the value of the Fund's net assets.

LENDING PORTFOLIO SECURITIES - From time to time, the Fund may lend securities from its portfolio to brokers, dealers and other financial institutions needing to borrow securities to complete certain transactions. Such loans may not exceed 331/3% of the value of the Fund's total assets. In connection with such loans, the Fund will receive collateral consisting of cash, U.S. Government securities or irrevocable letters of credit which will be maintained at all times in an amount equal to at least 100% of the current market value of the loaned securities. The Fund can increase its income through the investment of such collateral. The Fund continues to be entitled to payments in amounts equal to the interest or other distributions payable on the loaned security and receives interest on the amount of the loan. Such loans will be terminable at any time upon specified notice. The Fund might experience risk of loss if the institution with which it has engaged in a portfolio loan transaction breaches its agreement with the Fund.

FUTURE DEVELOPMENTS - The Fund may take advantage of opportunities in the area of options and futures contracts and options on futures contracts and any other derivative investments which are not presently contemplated for use by the Fund or which are not currently available but which may be developed, to the extent such opportunities are both consistent with the Fund's investment objective and legally permissible for the Fund. Before entering into such transactions or making any such investment, the Fund will provide appropri-

(10)

ate disclosure in its prospectus.

CERTAIN FUNDAMENTAL POLICIES - The Fund may (i) borrow money from banks, but only for temporary or emergency (not leveraging) purposes, in an amount up to 15% of the value of the Fund's total assets (including the amount borrowed) valued at the lesser of cost or market, less liabilities (not including the amount borrowed) at the time the borrowing is made. While borrowings exceed 5% of the Fund's total assets, the Fund will not make any additional investments; and (ii) invest up to 25% of its total assets in the securities of issuers in any industry, provided that there is no such limitation on investments in Municipal Obligations and, for temporary defensive purposes, obligations issued or guaranteed by the U.S. Government, its agencies or instrumentalities. This paragraph describes fundamental policies that cannot be changed without approval by the holders of a majority (as defined in the Investment Company Act of 1940) of the Fund's outstanding voting shares. See "Investment Objective and Management Policies-Investment Restrictions" in the Statement of Additional Information.

CERTAIN ADDITIONAL NON-FUNDAMENTAL POLICIES - The Fund may (i) pledge, hypothecate, mortgage or otherwise encumber its assets, but only to secure borrowings for temporary or emergency purposes; and (ii) invest up to 15% of the value of its net assets in repurchase agreements providing for settlement in more than seven days after notice and in other illiquid securities (which securities could include participation interests (including municipal lease/purchase agreements) that are not subject to the demand feature described above, and floating and variable rate demand obligations as to which the Fund cannot exercise the related demand feature described above and as to which there is no secondary market). See "Investment Objective and Management Policies-Investment Restrictions" in the Statement of Additional Information.

RISK FACTORS

INVESTING IN FLORIDA MUNICIPAL OBLIGATIONS - You should consider carefully the special risks inherent in the Fund's investment in Florida Municipal Obligations. The Florida Constitution and Statutes mandate that the State budget as a whole, and each separate fund within the State budget, be kept in balance from currently available revenues each fiscal

year. Florida's Constitution permits issuance of Florida Municipal Obligations pledging the full faith and credit of the State, with a vote of the electors, to finance or refinance fixed capital outlay projects authorized by the Legislature provided that the outstanding principal does not exceed 50% of the total tax revenues of the State for the two preceding years. Florida's Constitution also provides that the Legislature shall appropriate monies sufficient to pay debt service on State bonds pledging the full faith and credit of the State as the same becomes due. All State tax revenues, other than trust funds dedicated by Florida's Constitution for other purposes, would be available for such an appropriation, if required. Revenue bonds may be issued by the State or its agencies without a vote of Florida's electors only to finance or refinance the cost of State fixed capital outlay projects which may be payable solely from funds derived directly from sources other than State tax revenues. Fiscal year 1993-94 total General Revenue and Working Capital funds available totalled approximately \$13.555 billion, an 8.2% increase over 1992-93, which resulted in unencumbered reserves of approximately \$277.9 million at the end of fiscal 1993-94. General Revenue and Working Capital funds available for fiscal 1994-95 are estimated to total \$14.311 billion, a 5.6% increase over 1993-94. The massive effort to rebuild and replace destroyed or damaged property in South Florida after Hurricane Andrew is considered to be responsible for the positive revenue outlook. You should obtain and review a copy of the Statement of Additional Information which more fully sets forth these and other risk factors.

LOWER RATED BONDS - You should carefully consider the relative risks of investing in the higher yielding (and, therefore, high risk) debt securities in which the Fund may invest up to 20% of the value of its net assets. These are securities such as those rated Ba by Moody's or BB by S&P or Fitch or as low as the lowest rating assigned by Moody's, S&P or Fitch. They generally are not meant for short-term investing and may be subject to certain risks with respect to the issuing entity and to greater market fluctuations than certain lower yielding, higher rated fixed-income securities. Bonds rated Ba by Moody's are judged to have speculative elements; their future cannot be considered as well assured and often the protection of interest and principal payments may be very moderate. Bonds rated BB by S&P are regarded as having predominantly speculative characteristics and,

(11)

while such obligations have less near-term vulnerability to default than other speculative grade debt, they face major ongoing uncertainties or exposure to adverse business, financial or economic conditions which could lead to inadequate capacity to meet timely interest and principal payments. Bonds rated BB by Fitch are considered speculative and the payment of principal and interest may be affected at any time by adverse economic changes. Bonds rated C by Moody's are regarded as having extremely poor prospects of ever attaining any real investment standing. Bonds rated D by S&P are in default and the payment of interest and/or repayment of principal is in arrears. Bonds rated DDD, DD or D by Fitch are in actual or imminent default, are extremely speculative and should be valued on the basis of their ultimate recovery value in liquidation or reorganization of the issuer; DDD represents the highest potential for recovery of such bonds; and D represents the lowest potential for recovery. Such bonds, though high yielding, are characterized by great risk. See "Appendix B" in the Statement of Additional Information for a general description of Moody's, S&P and Fitch ratings of Municipal Obligations. The ratings of Moody's, S&P and Fitch represent their opinions as to the quality of the Municipal Obligations which they undertake to rate. It should be emphasized, however, that ratings are relative and subjective and, although ratings may be useful in evaluating the safety of interest and principal payments, they do not evaluate the market value risk of these bonds. Therefore, although these ratings may be an initial criterion for selection of portfolio investments, The Dreyfus Corporation also will evaluate these securities and the ability of the issuers of such securities to pay interest and principal. The Fund's ability to achieve its investment objective may be more dependent on The Dreyfus Corporation's credit analysis than might be the case for a fund that invested in higher rated securities. Once the rating of a portfolio security has been changed, the Fund will consider all circumstances deemed relevant in determining whether to continue to hold the security.

The market price and yield of bonds rated Ba or lower by Moody's and BB or lower by S&P and Fitch are more volatile than those of higher rated bonds. Factors adversely affecting the market price and yield of these securities will adversely affect the Fund's net asset value. In addition, the retail secondary market for these bonds may be less liquid than that of higher rated bonds; adverse conditions could make it difficult at times for the Fund to sell certain securities or could result in lower prices than those used in calculating the Fund's net asset value.

The Fund may invest up to 5% of the value of its net assets in zero coupon securities and pay-in-kind bonds (bonds which pay interest through the issuance of additional bonds) rated Ba or lower by Moody's and BB or lower

by S&P and Fitch. These securities may be subject to greater fluctuations in value due to changes in interest rates than interest-bearing securities and thus may be considered more speculative than comparably rated interest-bearing securities. See "Other Investment Considerations" below, and "Investment Objective and Management Policies-Risk Factors-Lower Rated Bonds" and "Dividends, Distributions and Taxes" in the Statement of Additional Information.

OTHER INVESTMENT CONSIDERATIONS - Even though interest-bearing securities are investments which promise a stable stream of income, the prices of such securities are inversely affected by changes in interest rates and, therefore, are subject to the risk of market price fluctuations. Certain securities that may be purchased by the Fund, such as those with interest rates that fluctuate directly or indirectly based on multiples of a stated index, are designed to be highly sensitive to changes in interest rates and can subject the holders thereof to extreme reductions of yield and possibly loss of principal. The values of fixed-income securities also may be affected by changes in the credit rating or financial condition of the issuing entities. The Fund's net asset value generally will not be stable and should fluctuate based upon changes in the value of the Fund's portfolio securities. Securities in which the Fund invests may earn a higher level of current income than certain shorter-term or higher quality securities which generally have greater liquidity, less market risk and less fluctuation in market value.

Certain municipal lease/purchase obligations in which the Fund may invest may contain "non-appropriation" clauses which provide that the municipality has no obligation to make lease payments in future years unless money is appropriated for such purpose on a yearly basis. Although "non-appropriation" lease/purchase obligations are secured by the leased property, disposition of the leased property in the event of foreclosure might prove difficult. In evaluating the credit quality of a municipal lease/purchase obligation that is unrated, The Dreyfus Corporation will consider, on an ongoing basis, a number of factors including the likelihood that

(12)

the issuing municipality will discontinue appropriating funding for the leased property.

Federal income tax law requires the holder of a zero coupon security or of certain pay-in-kind bonds to accrue income with respect to these securities prior to the receipt of cash payments. To maintain its qualification as a regulated investment company and avoid liability for Federal income taxes, the Fund may be required to distribute such income accrued with respect to these securities and may have to dispose of portfolio securities under disadvantageous circumstances in order to generate cash to satisfy these distribution requirements.

Certain provisions in the Code relating to the issuance of Municipal Obligations may reduce the volume of Municipal Obligations qualifying for Federal tax exemption. One effect of these provisions could be to increase the cost of the Municipal Obligations available for purchase by the Fund and thus reduce the available yield. Shareholders should consult their tax advisers concerning the effect of these provisions on an investment in the Fund. Proposals that may restrict or eliminate the income tax exemption for interest on Municipal Obligations may be introduced in the future. If any such proposal were enacted that would reduce the availability of Municipal Obligations for investment by the Fund so as to adversely affect Fund shareholders, the Fund would reevaluate its investment objective and policies and submit possible changes in the Fund's structure to shareholders for their consideration. If legislation were enacted that would treat a type of Municipal Obligation as taxable, the Fund would treat such security as a permissible Taxable Investment within the applicable limits set forth herein.

The Fund's classification as a "non-diversified" investment company means that the proportion of the Fund's assets that may be invested in the securities of a single issuer is not limited by the Investment Company Act of 1940. A "diversified" investment company is required by the Investment Company Act of 1940 generally to invest, with respect to 75% of its total assets, not more than 5% of such assets in the securities of a single issuer. However, the Fund intends to conduct its operations so as to qualify as a "regulated investment company" for purposes of the Code, which requires that, at the end of each quarter of its taxable year, (i) at least 50% of the market value of the Fund's total assets be invested in cash, U.S. Government securities, the securities of other regulated investment companies and other securities, with such other securities of any one issuer limited for the purpose of this calculation to an amount not greater than 5% of the value of the Fund's total assets, and (ii) not more than 25% of the value of its total assets be invested in the securities of any one issuer (other than U.S. Government securities or the securities of other regulated investment companies). Since a relatively high percentage of the Fund's assets may be invested in the securities of a limited number of issuers, the Fund's portfolio securities may be more susceptible to any single economic, political or regulatory occurrence than the portfolio securities of a diversified investment company.

Investment decisions for the Fund are made independently from those of other investment companies advised by The Dreyfus Corporation. However, if such other investment companies are prepared to invest in, or desire to dispose of, Municipal Obligations or Taxable Investments at the same time as the Fund, available investments or opportunities for sales will be allocated equitably to each investment company. In some cases, this procedure may adversely affect the size of the position obtained for or disposed of by the Fund or the price paid or received by the Fund.

MANAGEMENT OF THE FUND

The Dreyfus Corporation, located at 200 Park Avenue, New York, New York 10166, was formed in 1947 and serves as the Fund's investment adviser. As of January 31, 1994, The Dreyfus Corporation managed or administered approximately \$79 billion in assets for more than 1.9 million investor accounts nationwide.

The Dreyfus Corporation supervises and assists in the overall management of the Fund's affairs under a Management Agreement with the Fund, subject to the overall authority of the Fund's Board of Trustees in accordance with Massachusetts law. The Fund's primary investment officer is Stephen C. Kris. He has held that position since the Fund's inception and has been employed by The Dreyfus Corporation since 1988. The Fund's other investment officers are identified under "Management of the Fund" in the Fund's Statement of Additional Information. The Dreyfus Corporation also provides research services for the Fund as well as other funds advised by The Dreyfus Corporation through a professional staff of portfolio managers and security analysts.

Under the terms of the Management Agreement, the Fund has agreed to pay The Dreyfus Corporation a

(13)

monthly fee at the annual rate of .60 of 1% of the value of the Fund's average daily net assets. From time to time, The Dreyfus Corporation may waive receipt of its fees and/or voluntarily assume certain expenses of the Fund, which would have the effect of lowering the overall expense ratio of the Fund and increasing yield to investors at the time such amounts are waived or assumed, as the case may be. The Fund will not pay The Dreyfus Corporation at a later time for any amounts it may waive, nor will the Fund reimburse The Dreyfus Corporation for any amounts it may assume. For the fiscal year ended December 31, 1993, no management fee was paid by the Fund pursuant to an undertaking by The Dreyfus Corporation.

The Dreyfus Corporation may pay Dreyfus Service Corporation for shareholder and distribution services from The Dreyfus Corporation's own assets, including past profits but not including the management fee paid by the Fund. Dreyfus Service Corporation may use part or all of such payments to pay securities dealers or others in respect of these services.

The Shareholder Services Group, Inc., a subsidiary of First Data Corporation, P.O. Box 9671, Providence, Rhode Island 02940-9671, is the Fund's Transfer and Dividend Disbursing Agent (the "Transfer Agent"). The Bank of New York, 110 Washington Street, New York, New York 10286, is the Fund's Custodian.

HOW TO BUY FUND SHARES

The Fund's distributor is Dreyfus Service Corporation, a wholly-owned subsidiary of The Dreyfus Corporation, located at 200 Park Avenue, New York, New York 10166. The shares it distributes are not deposits or obligations of The Dreyfus Security Savings Bank, F.S.B. and therefore are not insured by the Federal Deposit Insurance Corporation.

You can purchase Fund shares without a sales charge if you purchase them directly from Dreyfus Service Corporation; you may be charged a nominal fee if you effect transactions in Fund shares through a securities dealer, bank or other financial institution. Share certificates are issued only upon your written request. No certificates are issued for fractional shares. It is not recommended that the Fund be used as a vehicle for Keogh, IRA or other qualified plans. The Fund reserves the right to reject any purchase order.

The minimum initial investment is \$2,500, or \$1,000 if you are a client of a securities dealer, bank or other financial institution which has made an aggregate minimum initial purchase for its customers of \$2,500. Subsequent investments must be at least \$100. The initial investment must be accompanied by the Fund's Account Application. For full-time or part-time employees of The Dreyfus Corporation or any of its affiliates or subsidiaries, directors of The Dreyfus Corporation, Board members of a fund advised by The Dreyfus Corporation, including members of the Fund's Board, or the spouse or minor child of any of the foregoing, the minimum initial investment is \$1,000. For full-time or part-time employees of The Dreyfus Corporation or any of its affiliates or subsidiaries who elect to have a portion of their pay directly deposited into their Fund account, the minimum initial investment is \$50. The Fund reserves the right to vary further the initial and subsequent investment minimum requirements at any time.

You may purchase Fund shares by check or wire, or through the Dreyfus TeleTransfer Privilege described below. Checks should be made payable to "The Dreyfus Family of Funds." Payments to open new accounts which are

mailed should be sent to The Dreyfus Family of Funds, P.O. Box 9387, Providence, Rhode Island 02940-9387, together with your Account Application. For subsequent investments, your Fund account number should appear on the check and an investment slip should be enclosed and sent to The Dreyfus Family of Funds, P.O. Box 105, Newark, New Jersey 07101-0105. Neither initial nor subsequent investments should be made by third party check. Purchase orders may be delivered in person only to a Dreyfus Financial Center. THESE ORDERS WILL BE FORWARDED TO THE FUND AND WILL BE PROCESSED ONLY UPON RECEIPT THEREBY. For the location of the nearest Dreyfus Financial Center, please call the telephone number listed under "General Information."

Wire payments may be made if your bank account is in a commercial bank that is a member of the Federal Reserve System or any other bank having a correspondent bank in New York City. Immediately available funds may be transmitted by wire to The Bank of New York, DDA #8900202920/Dreyfus Florida Intermediate Municipal Bond Fund, for purchase of Fund shares in your name. The wire must include your Fund account

(14)

number (for new accounts, your Taxpayer Identification Number ("TIN") should be included instead), account registration and dealer number, if applicable. If your initial purchase of Fund shares is by wire, please call 1-800-645-6561 after completing your wire payment to obtain your Fund account number. Please include your Fund account number on the Fund's Account Application and promptly mail the Account Application to the Fund, as no redemptions will be permitted until the Account Application is received. You may obtain further information about remitting funds in this manner from your bank. All payments should be made in U.S. dollars and, to avoid fees and delays, should be drawn only on U.S. banks. A charge will be imposed if any check used for investment in your account does not clear. The Fund makes available to certain large institutions the ability to issue purchase instructions through compatible computer facilities.

Subsequent investments also may be made by electronic transfer of funds from an account maintained in a bank or other domestic financial institution that is an Automated Clearing House member. You must direct the institution to transmit immediately available funds through the Automated Clearing House to The Bank of New York with instructions to credit your Fund account. The instructions must specify your Fund account registration and your Fund account number preceded by the digits "1111."

Fund shares are sold on a continuous basis at the net asset value per share next determined after an order in proper form is received by the Transfer Agent. Net asset value per share is determined as of the close of trading on the floor of the New York Stock Exchange (currently 4:00 p.m., New York time), on each day the New York Stock Exchange is open for business. For purposes of determining net asset value per share, options and futures contracts will be valued 15 minutes after the close of trading on the floor of the New York Stock Exchange. Net asset value per share is computed by dividing the value of the Fund's net assets (i.e., the value of its assets less liabilities) by the total number of shares outstanding. The Fund's investments are valued by an independent pricing service approved by the Board of Trustees and are valued at fair value as determined by the pricing service. For further information regarding the methods employed in valuing Fund investments, see "Determination of Net Asset Value" in the Fund's Statement of Additional Information.

Federal regulations require that you provide a certified TIN upon opening or reopening an account. See "Dividends, Distributions and Taxes" and the Fund's Account Application for further information concerning this requirement. Failure to furnish a certified TIN to the Fund could subject you to a \$50 penalty imposed by the Internal Revenue Service (the "IRS"). DREYFUS TELETRANSFER PRIVILEGE - You may purchase Fund shares (minimum \$500, maximum \$150,000 per day) by telephone if you have checked the appropriate box and supplied the necessary information on the Fund's Account Application or have filed a Shareholder Services Form with the Transfer Agent. The proceeds will be transferred between the bank account designated in one of these documents and your Fund account. Only a bank account maintained in a domestic financial institution which is an Automated Clearing House member may be so designated. The Fund may modify or terminate this Privilege at any time or charge a service fee upon notice to shareholders. No such fee currently is contemplated.

If you have selected the Dreyfus TeleTransfer Privilege, you may request a Dreyfus TeleTransfer purchase of Fund shares by telephoning 1-800-221-4060 or, if you are calling from overseas, call 1-401-455-3306. Shares issued in certificate form are not eligible for this Privilege.

SHAREHOLDER SERVICES

EXCHANGE PRIVILEGE - The Exchange Privilege enables you to purchase, in exchange for shares of the Fund, shares of certain other funds managed or administered by The Dreyfus Corporation, to the extent such shares are offered for sale in your state of residence. These funds have different investment objectives which may be of interest to you. If you desire to use this Privilege, you should consult Dreyfus Service Corporation to determine if it is available and whether any conditions are imposed on its

use.

To use this Privilege, you must give exchange instructions to the Transfer Agent in writing, by wire or by telephone. If you previously have established the Telephone Exchange Privilege, you may telephone exchange instructions by calling 1-800-221-4060 or, if you are calling from overseas, call 1-401-455-3306. See "How to Redeem Fund Shares-Procedures." Before any exchange, you must obtain and should review a copy of the cur-

(15)

rent prospectus of the fund into which the exchange is being made. Prospectuses may be obtained from Dreyfus Service Corporation. Except in the case of Personal Retirement Plans, the shares being exchanged must have a current value of at least \$500; furthermore, when establishing a new account by exchange, the shares being exchanged must have a value of at least the minimum initial investment required for the fund into which the exchange is being made. Telephone exchanges may be made only if the appropriate "YES" box has been checked on the Account Application, or a separate signed Shareholder Services Form is on file with the Transfer Agent. Upon an exchange into a new account, the following shareholder services and privileges, as applicable and where available, will be automatically carried over to the fund into which the exchange is made: Exchange Privilege, Check Redemption Privilege, Wire Redemption Privilege, Telephone Redemption Privilege, Dreyfus TeleTransfer Privilege and the dividend/capital gain distribution option (except for the Dreyfus Dividend Sweep Privilege) selected by the investor.

Shares will be exchanged at the next determined net asset value; however, a sales load may be charged with respect to exchanges into funds sold with a sales load. If you are exchanging into a fund that charges a sales load, you may qualify for share prices which do not include the sales load or which reflect a reduced sales load, if the shares of the fund from which you are exchanging were: (a) purchased with a sales load, (b) acquired by a previous exchange from shares purchased with a sales load, or (c) acquired through reinvestment of dividends or distributions paid with respect to the foregoing categories of shares. To qualify, at the time of your exchange you must notify the Transfer Agent. Any such qualification is subject to confirmation of your holdings through a check of appropriate records. See "Shareholder Services" in the Statement of Additional Information. No fees currently are charged shareholders directly in connection with exchanges, although the Fund reserves the right, upon not less than 60 days' written notice, to charge shareholders a nominal fee in accordance with rules promulgated by the Securities and Exchange Commission. The Fund reserves the right to reject any exchange request in whole or in part. The Exchange Privilege may be modified or terminated at any time upon notice to shareholders.

The Exchange of shares of one fund for another is treated for Federal income tax purposes as a sale of the shares given in exchange by the shareholder and, therefore, an exchanging shareholder may realize a taxable gain or loss.

DREYFUS AUTO-EXCHANGE PRIVILEGE - Dreyfus Auto-Exchange Privilege enables you to invest regularly (on a semi-monthly, monthly, quarterly or annual basis), in exchange for shares of the Fund, in shares of certain other funds in the Dreyfus Family of Funds of which you are currently an investor. The amount you designate, which can be expressed either in terms of a specific dollar or share amount (\$100 minimum), will be exchanged automatically on the first and/or fifteenth of the month according to the schedule you have selected. Shares will be exchanged at the then-current net asset value; however, a sales load may be charged with respect to exchanges into funds sold with a sales load. See "Shareholder Services" in the Statement of Additional Information. The right to exercise this Privilege may be modified or cancelled by the Fund or the Transfer Agent. You may modify or cancel your exercise of this Privilege at any time by writing to The Dreyfus Family of Funds, P.O. Box 9671, Providence, Rhode Island 02940-9671. The Fund may charge a service fee for the use of this Privilege. No such fee currently is contemplated. The exchange of shares of one fund for shares of another is treated for Federal income tax purposes as a sale of the shares given in exchange by the shareholder and, therefore, an exchanging shareholder may realize a taxable gain or loss. For more information concerning this Privilege and the funds in the Dreyfus Family of Funds eligible to participate in this Privilege, or to obtain a Dreyfus Auto-Exchange Authorization Form, please call toll free 1-800-645-6561.

DREYFUS-AUTOMATIC ASSET BUILDER - Dreyfus-AUTOMATIC Asset Builder permits you to purchase Fund shares (minimum of \$100 and maximum of \$150,000 per transaction) at regular intervals selected by you. Fund shares are purchased by transferring funds from the bank account designated by you. At your option, the bank account designated by you will be debited in the specified amount, and Fund shares will be purchased, once a month, on either the first or fifteenth day, or twice a month, on both days. Only an account maintained at a domestic financial institution which is an Automated Clearing House member may be so designated. To

establish a Dreyfus-AUTOMATIC Asset Builder account, you must file an authorization form with the Transfer Agent. You may obtain the necessary authorization form from Dreyfus Service Corporation. You may cancel your participation in this Privilege or change the amount of purchase at any time by mailing written notification to The Dreyfus Family of Funds, P.O. Box 9671, Providence, Rhode Island 02940-9671, and the notification will be effective three business days following receipt. The Fund may modify or terminate this Privilege at any time or charge a service fee. No such fee currently is contemplated.

DREYFUS GOVERNMENT DIRECT DEPOSIT PRIVILEGE - Dreyfus Government Direct Deposit Privilege enables you to purchase Fund shares (minimum of \$100 and maximum of \$50,000 per transaction) by having Federal salary, Social Security, or certain veterans', military or other payments from the Federal government automatically deposited into your Fund account. You may deposit as much of such payments as you elect. To enroll in Dreyfus Government Direct Deposit, you must file with the Transfer Agent a completed Direct Deposit Sign-Up Form for each type of payment that you desire to include in this Privilege. The appropriate form may be obtained from Dreyfus Service Corporation. Death or legal incapacity will terminate your participation in this Privilege. You may elect at any time to terminate your participation by notifying in writing the appropriate Federal agency. Further, the Fund may terminate your participation upon 30 days' notice to you.

DREYFUS DIVIDEND SWEEP PRIVILEGE - Dreyfus Dividend Sweep Privilege enables you to invest automatically dividends or dividends and capital gain distributions, if any, paid by the Fund in shares of another fund in the Dreyfus Family of Funds of which you are a shareholder. Shares of the other fund will be purchased at the then-current net asset value; however, a sales load may be charged with respect to investments in shares of a fund sold with a sales load. If you are investing in a fund that charges a sales load, you may qualify for share prices which do not include the sales load or which reflect a reduced sales load. If you are investing in a fund that charges a contingent deferred sales charge, the shares purchased will be subject on redemption to the contingent deferred sales charge, if any, applicable to the purchased shares. See "Shareholder Services" in the Statement of Additional Information. For more information concerning this Privilege and the funds in the Dreyfus Family of Funds eligible to participate in this Privilege, or to request a Dividend Options Form, please call toll free 1-800-645-6561. You may cancel this Privilege by mailing written notification to The Dreyfus Family of Funds, P.O. Box 9671, Providence, Rhode Island 02940-9671. To select a new fund after cancellation, you must submit a new Dividend Options Form. Enrollment in or cancellation of this Privilege is effective three business days following receipt. This Privilege is available only for existing accounts and may not be used to open new accounts. Minimum subsequent investments do not apply. The Fund may modify or terminate this Privilege at any time or charge a service fee. No such fee currently is contemplated.

DREYFUS PAYROLL SAVINGS PLAN - Dreyfus Payroll Savings Plan permits you to purchase Fund shares (minimum of \$100 per transaction) automatically on a regular basis. Depending upon your employer's direct deposit program, you may have part or all of your paycheck transferred to your existing Dreyfus account electronically through the Automated Clearing House system at each pay period. To establish a Dreyfus Payroll Savings Plan account, you must file an authorization form with your employer's payroll department. Your employer must complete the reverse side of the form and return it to The Dreyfus Family of Funds, P.O. Box 9671, Providence, Rhode Island 02940-9671. You may obtain the necessary authorization form from Dreyfus Service Corporation. You may change the amount of purchase or cancel the authorization only by written notification to your employer. It is the sole responsibility of your employer, not Dreyfus Service Corporation, The Dreyfus Corporation, the Fund, the Transfer Agent or any other person, to arrange for transactions under the Dreyfus Payroll Savings Plan. The Fund may modify or terminate this Privilege at any time or charge a service fee. No such fee currently is contemplated.

AUTOMATIC WITHDRAWAL PLAN - The Automatic Withdrawal Plan permits you to request withdrawal of a specified dollar amount (minimum of \$50) on either a monthly or quarterly basis if you have a \$5,000 minimum account. An application for the Automatic Withdrawal Plan can be obtained from Dreyfus Service Corporation. There is a service charge of \$.50 for each withdrawal check. The Automated Withdrawal Plan may be ended at any time by you, the Fund or the Transfer Agent. Shares for which certificates have been issued may not be redeemed through the Automatic Withdrawal Plan.

HOW TO REDEEM FUND SHARES

GENERAL - You may request redemption of your shares at any time. Redemption requests should be transmitted to the Transfer Agent as

described below. When a request is received in proper form, the Fund will redeem the shares at the next determined net asset value.

The Fund imposes no charges when shares are redeemed directly through Dreyfus Service Corporation. Securities dealers, banks and other financial institutions may charge a nominal fee for effecting redemptions of Fund shares. Any certificates representing Fund shares being redeemed must be submitted with the redemption request. The value of the shares redeemed may be more or less than their original cost, depending upon the Fund's then-current net asset value.

The Fund ordinarily will make payment for all shares redeemed within seven days after receipt by the Transfer Agent of a redemption request in proper form, except as provided by the rules of the Securities and Exchange Commission. HOWEVER, IF YOU HAVE PURCHASED FUND SHARES BY CHECK, BY DREYFUS TELETRANSFER PRIVILEGE OR THROUGH DREYFUS-AUTOMATIC ASSET BUILDER AND SUBSEQUENTLY SUBMIT A WRITTEN REDEMPTION REQUEST TO THE TRANSFER AGENT, THE REDEMPTION PROCEEDS WILL BE TRANSMITTED TO YOU PROMPTLY UPON BANK CLEARANCE OF YOUR PURCHASE CHECK, DREYFUS TELETRANSFER PURCHASE OR DREYFUS-AUTOMATIC ASSET BUILDER ORDER, WHICH MAY TAKE UP TO EIGHT BUSINESS DAYS OR MORE. IN ADDITION, THE FUND WILL NOT HONOR REDEMPTION CHECKS UNDER THE CHECK REDEMPTION PRIVILEGE, AND WILL REJECT REQUESTS TO REDEEM SHARES BY WIRE OR TELEPHONE OR PURSUANT TO THE DREYFUS TELETRANSFER PRIVILEGE, FOR A PERIOD OF EIGHT BUSINESS DAYS AFTER RECEIPT BY THE TRANSFER AGENT OF THE PURCHASE CHECK, THE DREYFUS TELETRANSFER PURCHASE OR THE DREYFUS-AUTOMATIC ASSET BUILDER ORDER AGAINST WHICH SUCH REDEMPTIONS REQUESTED. THESE PROCEDURES WILL NOT APPLY IF YOUR SHARES WERE PURCHASED BY WIRE PAYMENT, OR IF YOU OTHERWISE HAVE A SUFFICIENT COLLECTED BALANCE IN YOUR ACCOUNT TO COVER THE REDEMPTION REQUEST. PRIOR TO THE TIME ANY REDEMPTION IS EFFECTIVE, DIVIDENDS ON SUCH SHARES WILL ACCRUE AND BE PAYABLE, AND YOU WILL BE ENTITLED TO EXERCISE ALL OTHER RIGHTS OF BENEFICIAL OWNERSHIP. Fund shares will not be redeemed until the Transfer Agent has received your Account Application.

The Fund reserves the right to redeem your account at its option upon not less than 30 days' written notice if your account's net asset value is \$500 or less and remains so during the notice period.

PROCEDURES - You may redeem shares by using the regular redemption procedure through the Transfer Agent, using the Check Redemption Privilege, through the Wire Redemption Privilege, through the Telephone Redemption Privilege or through the Dreyfus TeleTransfer Privilege. The Fund makes available to certain large institutions the ability to issue redemption instructions through compatible computer facilities.

You may redeem or exchange Fund shares by telephone if you have checked the appropriate box on the Fund's Account Application or have filed a Shareholder Services Form with the Transfer Agent. If you select a telephone redemption or exchange privilege, you authorize the Transfer Agent to act on telephone instructions from any person representing himself or herself to be you and reasonably believed by the Transfer Agent to be genuine. The Fund will require the Transfer Agent to employ reasonable procedures, such as requiring a form of personal identification, to confirm that instructions are genuine and, if it does not follow such procedures, the Fund or the Transfer Agent may be liable for any losses due to unauthorized or fraudulent instructions. Neither the Fund nor the Transfer Agent will be liable for following telephone instructions reasonably believed to be genuine.

During times of drastic economic or market conditions, you may experience difficulty in contacting the Transfer Agent by telephone to request a redemption or exchange of Fund shares. In such cases, you should consider using the other redemption procedures described herein. Use of these other redemption procedures may result in your redemption request being processed at a later time than it would have been if telephone redemption had been used. During the delay, the Fund's net asset value may fluctuate.

REGULAR REDEMPTION - Under the regular redemption procedure, you may redeem your shares by written request mailed to The Dreyfus Family of Funds, P.O. Box 9671, Providence, Rhode Island 02940-9671. Redemption requests may be delivered in person only to a Dreyfus Financial Center. THESE REQUESTS WILL BE

(18)

FORWARDED TO THE FUND AND WILL BE PROCESSED UPON RECEIPT THEREBY. For the location of the nearest Dreyfus Financial Center, please call the telephone number listed under "General Information." Redemption requests must be signed by each shareholder, including each owner of a joint account, and each signature must be guaranteed. The Transfer Agent has adopted standards and procedures pursuant to which signature-guarantees in proper form generally will be accepted from domestic banks, brokers, dealers, credit unions, national securities exchanges, registered securities associations, clearing agencies and savings associations, as well as from participants in the New York Stock Exchange Medallion Signature Program, the Securities

Transfer Agents Medallion Program ("STAMP") and the Stock Exchanges Medallion Program. If you have any questions with respect to signature-guarantees, please call the telephone number listed under "General Information."

Redemption proceeds of at least \$1,000 will be wired to any member bank of the Federal Reserve System in accordance with a written signature-guaranteed request.

CHECK REDEMPTION PRIVILEGE - You may request on the Account Application, Shareholder Services Form or by later written request that the Fund provide Redemption Checks drawn on the Fund's account. Redemption Checks may be made payable to the order of any person in the amount of \$500 or more. Potential fluctuations in the net asset value of Fund shares should be considered in determining the amount of the check. Redemption Checks should not be used to close your account. Redemption Checks are free, but the Transfer Agent will impose a fee for stopping payment of a Redemption Check upon your request or if the Transfer Agent cannot honor the Redemption Check due to insufficient funds or other valid reason. You should date your Redemption Checks with the current date when you write them. Please do not postdate your Redemption Checks. If you do, the Transfer Agent will honor, upon presentment, even if presented before the date of the check, all postdated Redemption Checks which are dated within six months of presentment for payment, if they are otherwise in good order. Shares for which certificates have been issued may not be redeemed by Redemption Check. This Privilege may be modified or terminated at any time by the Fund or the Transfer Agent upon notice to shareholders.

WIRE REDEMPTION PRIVILEGE - You may request by wire or telephone that redemption proceeds (minimum \$1,000) be wired to your account at a bank which is a member of the Federal Reserve System, or a correspondent bank if your bank is not a member. To establish the Wire Redemption Privilege, you must check the appropriate box and supply the necessary information on the Fund's Account Application or file a Shareholder Services Form with the Transfer Agent. You may direct that redemption proceeds be paid by check (maximum \$150,000 per day) made out to the owners of record and mailed to your address. Redemption proceeds of less than \$1,000 will be paid automatically by check. Holders of jointly registered Fund or bank accounts may have redemption proceeds of only up to \$250,000 wired within any 30-day period. You may telephone redemption requests by calling 1-800-221-4060 or, if you are calling from overseas, call 1-401-455-3306. The Fund reserves the right to refuse any redemption request, including requests made shortly after a change of address, and may limit the amount involved or the number of such requests. This Privilege may be modified or terminated at any time by the Transfer Agent or the Fund. The Fund's Statement of Additional Information sets forth instructions for transmitting redemption requests by wire. Shares for which certificates have been issued are not eligible for this Privilege.

TELEPHONE REDEMPTION PRIVILEGE - You may redeem Fund shares (maximum \$150,000 per day) by telephone if you have checked the appropriate box on the Fund's Account Application or have filed a Shareholder Services Form with the Transfer Agent. The redemption proceeds will be paid by check and mailed to your address. You may telephone redemption instructions by calling 1-800-221-4060 or, if you are calling from overseas, call 1-401-455-3306. The Fund reserves the right to refuse any request made by telephone, including requests made shortly after a change of address, and may limit the amount involved or the number of telephone redemption requests. This Privilege may be modified or terminated at any time by the Transfer Agent or the Fund. Shares for which certificates have been issued are not eligible for this Privilege.

DREYFUS TELETRANSFER PRIVILEGE - You may redeem Fund shares (minimum \$500 per day) by telephone if you have checked the appropriate box and supplied the necessary information on the Fund's Account

(19)

Application or have filed a Shareholder Services Form with the Transfer Agent. The proceeds will be transferred between your Fund account and the bank account designated in one of these documents. Only such an account maintained in a domestic financial institution which is an Automated Clearing House member may be so designated. Redemption proceeds will be on deposit in your account at an Automated Clearing House member bank ordinarily two days after receipt of the redemption request or, at your request, paid by check (maximum \$150,000 per day) and mailed to your address. Holders of jointly registered Fund or bank accounts may redeem through the Dreyfus TELETRANSFER Privilege for transfer to their bank account only up to \$250,000 within any 30-day period. The Fund reserves the right to refuse any request made by telephone, including requests made shortly after a change of address, and may limit the amount involved or the number of such requests. The Fund may modify or terminate this Privilege at any time or charge a service fee upon notice to shareholders. No such fee currently is contemplated.

If you have selected the Dreyfus TELETRANSFER Privilege, you may request a Dreyfus TELETRANSFER redemption of Fund shares by telephoning 1-800-

221-4060 or, if you are calling from overseas, call 1-401-455-3306.
Shares issued in certificate form are not eligible for this Privilege.

SHAREHOLDER SERVICES PLAN

The Fund has adopted a Shareholder Services Plan pursuant to which the Fund reimburses Dreyfus Service Corporation an amount not to exceed an annual rate of .25 of 1% of the value of the average daily net assets of the Fund's shares for certain allocated expenses of providing personal services and/or maintaining shareholder accounts. The services provided may include personal services relating to shareholder accounts, such as answering shareholder inquiries regarding the Fund and providing reports and other information, and services related to the maintenance of shareholder accounts.

DIVIDENDS, DISTRIBUTIONS AND TAXES

The Fund ordinarily declares dividends from its net investment income on each day the New York Stock Exchange is open for business. Fund shares begin earning income dividends on the day following the date of purchase. The Fund's earnings for Saturdays, Sundays and holidays are declared as dividends on the next business day. Dividends usually are paid on the last business day of each month, and are automatically reinvested in additional Fund shares at net asset value or, at your option, paid in cash. If you redeem all shares in your account at any time during the month, all dividends to which you are entitled will be paid to you along with the proceeds of the redemption. Distributions from net realized securities gains, if any, generally are declared and paid once a year, but the Fund may make distributions on a more frequent basis to comply with the distribution requirements of the Code, in all events in a manner consistent with the provisions of the Investment Company Act of 1940. The Fund will not make distributions from net realized securities gains unless capital loss carryovers, if any, have been utilized or have expired. You may choose whether to receive distributions in cash or to reinvest in additional Fund shares at net asset value. All expenses are accrued daily and deducted before declaration of dividends to investors.

Except for dividends from Taxable Investments, the Fund anticipates that substantially all dividends paid by the Fund will not be subject to Federal income tax. Dividends derived from Taxable Investments, together with distributions from any net realized short-term securities gains and all or a portion of any gains realized from the sale or other disposition of certain market discount bonds, paid by the Fund are subject to Federal income tax as ordinary income whether or not reinvested. No dividend paid by the Fund will qualify for the dividends received deduction allowable to certain U.S. corporations. Distributions from net realized long-term securities gains of the Fund generally are taxable as long-term capital gains for Federal income tax purposes if you are a citizen or resident of the United States. Dividends and distributions from gain derived from securities transactions and from the use of the investment techniques described under "Description of the Fund-Investment Techniques" also will be subject to Federal income tax. The Code provides that the net capital gain of an individual generally will not be subject to Federal income tax at a rate in excess of 28%. Under the Code, interest on indebtedness incurred or continued to purchase or carry Fund shares which is deemed to relate to exempt-interest dividends is not deductible.

(20)

Dividends or distributions by the Fund to a Florida resident are not taxable by Florida. However, Florida imposes an intangible personal property tax on shares of the Fund owned by a Florida resident on January 1 of each year unless such shares qualify for an exemption from the tax.

The Fund has received a Technical Assistance Advisement from the State of Florida, Department of Revenue, to the effect that Fund shares owned by a Florida resident will be exempt from the intangible personal property tax so long as the Fund's portfolio includes only assets, such as notes, bonds, and other obligations issued by the State of Florida or its municipalities, counties, and other taxing districts, the United States Government, and its agencies, Puerto Rico, Guam, and the U.S. Virgin Islands, and other assets which are exempt from that tax ("exempt investments").

Although all or a substantial portion of the dividends paid by the Fund may be excluded by shareholders of the Fund from their gross income for Federal income tax purposes, the Fund may purchase specified private activity bonds, the interest from which may be (i) a preference item for purposes of the alternative minimum tax, (ii) a component of the "adjusted current earnings" preference item for purposes of the corporate alternative minimum tax as well as a component in computing the corporate environmental tax or (iii) a factor in determining the extent to which a shareholder's Social Security benefits are taxable. If the Fund purchases such securities, the portion of dividends related thereto will not necessarily be tax exempt to an investor who is subject to the alternative minimum tax and/or tax on Social Security benefits and may cause an investor to be subject to such taxes.

Notice as to the tax status of your dividends and distributions will be mailed to you annually. You also will receive periodic summaries of your account which will include information as to dividends and distributions

from securities gains, if any, paid during the year. These statements set forth the dollar amount of income exempt from Federal tax and the dollar amount, if any, subject to Federal tax. These dollar amounts will vary depending on the size and length of time of your investment in the Fund. If the Fund pays dividends derived from taxable income, it intends to designate as taxable the same percentage of the day's dividend as the actual taxable income earned on that day bears to total income earned on that day. Thus, the percentage of the dividend designated as taxable, if any, may vary from day to day.

Federal regulations generally require the Fund to withhold ("backup withholding") and remit to the U.S. Treasury 31% of taxable dividends, distributions from net realized securities gains and the proceeds of any redemption, regardless of the extent to which gain or loss may be realized, paid to a shareholder if such shareholder fails to certify either that the TIN furnished in connection with opening an account is correct or that such shareholder has not received notice from the IRS of being subject to backup withholding as a result of a failure to properly report taxable dividend or interest income on a Federal income tax return. Furthermore, the IRS may notify the Fund to institute backup withholding if the IRS determines a shareholder's TIN is incorrect or if a shareholder has failed to properly report taxable dividend and interest income on a Federal income tax return.

A TIN is either the Social Security number or employer identification number of the record owner of the account. Any tax withheld as a result of backup withholding does not constitute an additional tax imposed on the record owner of the account, and may be claimed as a credit on the record owner's Federal income tax return.

Management of the Fund believes that the Fund has qualified for the fiscal year ended December 31, 1993 as a "regulated investment company" under the Code. The Fund intends to continue to so qualify if such qualification is in the best interests of its shareholders. Such qualification relieves the Fund of any liability for Federal income tax to the extent its earnings are distributed in accordance with applicable provisions of the Code. The Fund is subject to a non-deductible 4% excise tax, measured with respect to certain undistributed amounts of taxable investment income and capital gain.

You should consult your tax adviser regarding specific questions as to Federal, state or local taxes.

(21)

PERFORMANCE INFORMATION

For purposes of advertising, performance may be calculated on several bases, including current yield, tax equivalent yield, average annual total return and/or total return.

Current yield refers to the Fund's annualized net investment income per share over a 30-day period, expressed as a percentage of the net asset value per share at the end of the period. For purposes of calculating current yield, the amount of net investment income per share during that 30-day period, computed in accordance with regulatory requirements, is compounded by assuming that it is reinvested at a constant rate over a six-month period. An identical result is then assumed to have occurred during a second six-month period which, when added to the result for the first six months, provides an "annualized" yield for an entire one-year period. Calculations of the Fund's current yield may reflect absorbed expenses pursuant to any undertaking that may be in effect. See "Management of the Fund."

Tax equivalent yield is calculated by determining the pre-tax yield which, after being taxed at a stated rate, would be equivalent to a stated current yield calculated as described above.

Average annual total return is calculated pursuant to a standardized formula which assumes that an investment in the Fund was purchased with an initial payment of \$1,000 and that the investment was redeemed at the end of a stated period of time, after giving effect to the reinvestment of dividends and distributions during the period. The return is expressed as a percentage rate which, if applied on a compounded annual basis, would result in the redeemable value of the investment at the end of the period. Advertisements of the Fund's performance will include the Fund's average annual total return for one, five and ten year periods, or for shorter periods depending upon the length of time during which the Fund has operated.

Total return is computed on a per share basis and assumes the reinvestment of dividends and distributions. Total return generally is expressed as a percentage rate which is calculated by combining the income and principal changes for a specified period and dividing by the net asset value per share at the beginning of the period. Advertisements may include the percentage rate of total return or may include the value of a hypothetical investment at the end of the period which assumes the application of the percentage rate of total return.

Performance will vary from time to time and past results are not necessarily representative of future results. You should remember that performance is a function of portfolio management in selecting the type and quality of portfolio securities and is affected by operating expenses.

Performance information, such as that described above, may not provide a basis for comparison with other investments or other investment companies using a different method of calculating performance.

Comparative performance information may be used from time to time in advertising or marketing the Fund's shares, including data from Lipper Analytical Services, Inc., Moody's Bond Survey Bond Index, Lehman Brothers Municipal Bond Index, Morningstar, Inc. and other industry publications. The Fund's yield should generally be higher than money market funds (the Fund, however, does not seek to maintain a stable price per share and may not be able to return an investor's principal), and its price per share should fluctuate less than long term bond funds (which generally have somewhat higher yields).

GENERAL INFORMATION

The Fund was organized as an unincorporated business trust under the laws of the Commonwealth of Massachusetts pursuant to an Agreement and Declaration of Trust (the "Trust Agreement") dated September 12, 1990, and commenced operations on January 21, 1992. The Fund is authorized to issue an unlimited number of shares of beneficial interest, par value \$.001 per share. Each share has one vote.

On May 11, 1993, the Fund's shareholders approved a proposal to change, among other things, certain of the Fund's fundamental policies and investment restrictions to (i) permit the Fund to engage in futures and options transactions, (ii) permit the Fund to lend its portfolio securities and (iii) increase the percentage of the Fund's assets which may be invested in illiquid securities and make such policy non-fundamental.

Under Massachusetts law, shareholders could, under certain circumstances, be held personally liable for the obligations of the Fund. However, the Trust Agreement disclaims shareholder liability for acts or obligations of

(22)

the Fund and requires that notice of such disclaimer be given in each agreement, obligation or instrument entered into or executed by the Fund or a Trustee. The Trust Agreement provides for indemnification from the Fund's property for all losses and expenses of any shareholder held personally liable for the obligations of the Fund. Thus, the risk of a shareholder's incurring financial loss on account of shareholder liability is limited to circumstances in which the Fund itself would be unable to meet its obligations, a possibility which management believes is remote. Upon payment of any liability incurred by the Fund, the shareholder paying such liability will be entitled to reimbursement from the general assets of the Fund. The Trustees intend to conduct the operations of the Fund in such a way so as to avoid, as far as possible, ultimate liability of the shareholders for liabilities of the Fund. As discussed under "Management of the Fund" in the Statement of Additional Information, the Fund ordinarily will not hold shareholder meetings; however, shareholders under certain circumstances may have the right to call a meeting of shareholders for the purpose of voting to remove Trustees.

The Transfer Agent maintains a record of your ownership and sends you confirmation and statements of account.

Shareholder inquiries may be made by writing to the Fund at 144 Glenn Curtiss Boulevard, Uniondale, New York 11556-0144, or by calling toll free 1-800-645-6561.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS AND IN THE FUND'S OFFICIAL SALES LITERATURE IN CONNECTION WITH THE OFFER OF THE FUND'S SHARES, AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE FUND. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER IN ANY STATE IN WHICH, OR TO ANY PERSON TO WHOM, SUCH OFFERING MAY NOT LAWFULLY BE MADE.

(23)

DREYFUS FLORIDA INTERMEDIATE MUNICIPAL BOND FUND
PART B
(STATEMENT OF ADDITIONAL INFORMATION)
APRIL 11, 1994

This Statement of Additional Information, which is not a prospectus, supplements and should be read in conjunction with the current Prospectus of Dreyfus Florida Intermediate Municipal Bond Fund (the "Fund"), dated April 11, 1994, as it may be revised from time to time. To obtain a copy of the Fund's Prospectus, please write to the Fund at 144 Glenn Curtiss Boulevard, Uniondale, New York 11556-0144, or call toll free 1-800-645-6561.

The Dreyfus Corporation (the "Manager") serves as the Fund's investment adviser.

Dreyfus Service Corporation (the "Distributor"), a wholly-owned subsidiary of the Manager, is the distributor of the Fund's shares.

TABLE OF CONTENTS

	Page
Investment Objective and Management Policies	B-2
Management of the Fund	B-9
Management Agreement	B-13
Shareholder Services Plan.	B-14
Purchase of Fund Shares.	B-15
Redemption of Fund Shares.	B-16
Shareholder Services	B-18
Determination of Net Asset Value	B-20
Portfolio Transactions	B-21
Dividends, Distributions and Taxes	B-21
Performance Information.	B-23
Information About the Fund	B-24
Custodian, Transfer and Dividend Disbursing Agent, Counsel and Independent Auditors	B-24
Appendix A	B-25
Appendix B	B-29
Financial Statements	B-37
Report of Independent Auditors	B-50

INVESTMENT OBJECTIVE AND MANAGEMENT POLICIES

The following information supplements and should be read in conjunction with the section in the Fund's Prospectus entitled "Description of the Fund."

The average distribution of investments (at value) in Municipal Obligations (including notes) by ratings for the fiscal year ended December 31, 1993, computed on a monthly basis, was as follows:

Fitch Investors Service, Inc. ("Fitch")	or	Moody's Investors Service, Inc. ("Moody's")	or	Standard & Poor's Corporation ("S&P")	Percent of Value
AAA		Aaa		AAA	61.0%
AA		Aa		AA	21.7%
A		A		A	9.2%
BBB		Baa		BBB	3.2%
F-1		MIG 1		SP-1+/SP-1	.8%
F-1		P-1		A-1	.2%
Not Rated		Not Rated		Not Rated	3.9% (*)

					100.0%
					=====

1 Included in the Not Rated category are securities comprising 3.1% of the value of the Fund's assets which, while not rated, have been determined by the Manager to be of comparable quality to securities in the following rating categories: Baa/BBB (2.9%) and Ba/BB (.2%).

Municipal Obligations. The term "Municipal Obligations" generally includes debt obligations issued to obtain funds for various public purposes, including the construction of a wide range of public facilities such as airports, bridges, highways, housing, hospitals, mass transportation, schools, streets and water and sewer works. Other public purposes for which Municipal Obligations may be issued include refunding outstanding obligations, obtaining funds for general operating expenses and lending such funds to other public institutions and facilities. In addition, certain types of industrial development bonds are issued by or on behalf of public authorities to obtain funds to provide for the construction, equipment, repair or improvement of privately operated housing facilities, sports facilities, convention or trade show facilities, airport, mass transit, industrial, port or parking facilities, air or water pollution control facilities and certain local facilities for

water supply, gas, electricity, or sewage or solid waste disposal; the interest paid on such obligations may be exempt from Federal income tax, although current tax laws place substantial limitations on the size of such issues. Such obligations are considered to be Municipal Obligations if the interest paid thereon qualifies as exempt from Federal income tax in the opinion of bond counsel to the issuer. There are, of course, variations in the security of Municipal Obligations, both within a particular classification and between classifications.

Floating and variable rate demand notes and bonds are tax exempt obligations ordinarily having stated maturities in excess of one year, but which permit the holder to demand payment of principal at any time, or at specified intervals. The issuer of such obligations ordinarily has a corresponding right, after a given period, to prepay in its discretion the outstanding principal amount of the obligations plus accrued interest upon a specified number of days' notice to the holders thereof. The interest rate on a floating rate demand obligation is based on a known lending rate, such as a bank's prime rate, and is adjusted automatically each time such rate is adjusted. The interest rate on a variable rate demand obligation is adjusted automatically at specified intervals.

The yields on Municipal Obligations are dependent on a variety of factors, including general economic and monetary conditions, money market factors, conditions in the Municipal Obligations market, size of a particular offering, maturity of the obligation, and rating of the issue. The imposition of the Fund's management fee, as well as other operating expenses, will have the effect of reducing the yield to investors.

Municipal lease obligations or installment purchase contract obligations (collectively, "lease obligations") have special risks not ordinarily associated with Municipal Obligations. Although lease obligations do not constitute general obligations of the municipality for which the municipality's taxing power is pledged, a lease obligation ordinarily is backed by the municipality's covenant to budget for, appropriate and make the payments due under the lease obligation. However, certain lease obligations contain "non-appropriation" clauses which provide that the municipality has no obligation to make lease or installment purchase payments in future years unless money is appropriated for such purpose on a yearly basis. Although "non-appropriation" lease obligations are secured by the leased property, disposition of the property in the event of foreclosure might prove difficult. The Fund will seek to minimize these risks by not investing more than 15% of the value of its total assets in lease obligations that contain "non-appropriation" clauses, and by investing only in those "non-appropriation" lease obligations where (1) the nature of the leased equipment or property is such that its ownership or use is essential to a governmental function of the municipality, (2) the lease payments will commence amortization of principal at an early date resulting in an average life of seven years or less for the lease obligation, (3) appropriate covenants will be obtained from the municipal obligor prohibiting the substitution or purchase of similar equipment if lease payments are not appropriated, (4) the lease obligor has maintained good market acceptability in the past, (5) the investment is of a size that will be attractive to institutional investors, and (6) the underlying leased equipment has elements of portability and/or use that enhance its marketability in the event foreclosure on the underlying equipment is ever required. The staff of the Securities and Exchange Commission currently considers certain lease obligations to be illiquid. Accordingly, not more than 15% of the value of the Fund's net assets will be invested in lease obligations that are illiquid and in other illiquid securities. See "Investment Restriction No. 11" below.

The Fund will purchase tender option bonds only when it is satisfied that the custodial and tender option arrangements, including the fee payment arrangements, will not adversely affect the tax exempt status of the underlying Municipal Obligations and that payment of any tender fees will not have the effect of creating taxable income for the Fund. Based on the tender option bond agreement, the Fund expects to be able to value the tender option bond at par; however, the value of the instrument will be monitored to assure that it is valued at fair value.

Ratings of Municipal Obligations. Subsequent to its purchase by the Fund, an issue of rated Municipal Obligations may cease to be rated or its rating may be reduced below the minimum required for purchase by the Fund. Neither event will require the sale of such Municipal Obligations by the Fund, but the Manager will consider such event in determining whether the Fund should continue to hold the Municipal Obligations. To the extent that the ratings given by Moody's, S&P or Fitch for Municipal Obligations may change as a result of changes in such organizations or their rating systems, the Fund will attempt to use comparable ratings as standards for its investments in accordance with the investment policies contained in the Fund's Prospectus and this Statement of Additional Information. The ratings of Moody's, S&P and Fitch represent their opinions as to the

quality of the Municipal Obligations which they undertake to rate. It should be emphasized, however, that ratings are relative and subjective and are not absolute standards of quality. Although these ratings may be an initial criterion for selection of portfolio investments, the Manager also will evaluate these securities and the creditworthiness of the issuers of such securities.

Futures Contracts and Options on Futures Contracts. Upon exercise of an option on a futures contract, the writer of the option delivers to the holder of the option the futures position and accumulated balance in the writer's futures margin account, which represents the amount by which the market price of the futures contract exceeds, in the case of a call, or is less than, in the case of a put, the exercise price of the option on the futures contract. The potential loss related to the purchase of an option on a futures contract is limited to the premium paid for the option (plus transaction costs). Because the value of the option is fixed at the time of sale, there are no daily cash payments to reflect changes in the value of the underlying contract; however, the value of the option does change daily and that change would be reflected in the net asset value of the Fund.

Lending Portfolio Securities. To a limited extent, the Fund may lend its portfolio securities to brokers, dealers and other financial institutions, provided it receives cash collateral which at all times is maintained in an amount equal to a least 100% of the current market value of the securities loaned. By lending its portfolio securities, the Fund can increase its income through the investment of the cash collateral. For purposes of this policy, the Fund considers collateral consisting of U.S. Government securities or irrevocable letters of credit issued by banks whose securities meet the standards for investment by the Fund to be the equivalent of cash. From time to time, the Fund may return to the borrower or a third party which is unaffiliated with the Fund, and which is acting as a "placing broker," a part of the interest earned from the investment of collateral received from securities loaned.

The Securities and Exchange Commission currently requires that the following conditions must be met whenever portfolio securities are loaned:

- (1) the Fund must receive at least 100% cash collateral from the borrower;
- (2) the borrower must increase such collateral whenever the market value of the securities rises above the level of such collateral;
- (3) the Fund must be able to terminate the loan at any time
- (4) the Fund must receive reasonable interest on the loan, as well as any interest or other distributions payable on the loaned securities, and any increase in market value; and
- (5) the Fund may pay only reasonable custodian fees in connection with the loan. These conditions may be subject to future modification.

Taxable Investments. Securities issued or guaranteed by the U.S. Government or its agencies or instrumentalities include U.S. Treasury securities, which differ in their interest rates, maturities and times of issuance. Treasury Bills have initial maturities of one year or less; Treasury Notes have initial maturities of one to ten years; and Treasury Bonds generally have initial maturities of greater than ten years. Some obligations issued or guaranteed by U.S. Government agencies and instrumentalities, for example, Government National Mortgage Association pass-through certificates, are supported by the full faith and credit of the U.S. Treasury; others, such as those of the Federal Home Loan Banks, by the right of the issuer to borrow from the U.S. Treasury; others, such as those issued by the Federal National Mortgage Association, by discretionary authority of the U.S. Government to purchase certain obligations of the agency or instrumentality; and others, such as those issued by the Student Loan Marketing Association, only by the credit of the agency or instrumentality. These securities bear fixed, floating or variable rates of interest. Principal and interest may fluctuate based on generally recognized reference rates or the relationship of rates. While the U.S. Government provides financial support to such U.S. Government-sponsored agencies or instrumentalities, no assurance can be given that it will always do so, since it is not so obligated by law. The Fund will invest in such securities only when it is satisfied that the credit risk with respect to the issuer is minimal.

Commercial paper consists of short-term, unsecured promissory notes issued to finance short-term credit needs.

Certificates of deposit are negotiable certificates representing the obligation of a bank to repay funds deposited with it for a specified period of time.

Time deposits are non-negotiable deposits maintained in a banking institution for a specified period of time at a stated interest rate. Investments in time deposits generally are limited to London branches of domestic banks that have total assets in excess of one billion dollars.

Time deposits which may be held by the Fund will not benefit from insurance from the Bank Insurance Fund or the Savings Association Insurance Fund administered by the Federal Deposit Insurance Corporation.

Bankers' acceptances are credit instruments evidencing the obligation of a bank to pay a draft drawn on it by a customer. These instruments reflect the obligation both of the bank and of the drawer to pay the face amount of the instrument upon maturity. Other short-term bank obligations may include uninsured, direct obligations bearing fixed, floating or variable interest rates.

Repurchase agreements involve the acquisition by the Fund of an underlying debt instrument, subject to an obligation of the seller to repurchase, and the Fund to resell, the instrument at a fixed price usually not more than one week after its purchase. The Fund's custodian or sub-custodian will have custody of, and will hold in a segregated account, securities acquired by the Fund under a repurchase agreement. Repurchase agreements are considered by the staff of the Securities and Exchange Commission to be loans by the Fund. In an attempt to reduce the risk of incurring a loss on a repurchase agreement, the Fund will enter into repurchase agreements only with domestic banks with total assets in excess of one billion dollars or primary government securities dealers reporting to the Federal Reserve Bank of New York, with respect to securities of the type in which the Fund may invest, and will require that additional securities be deposited with it if the value of the securities purchased should decrease below resale price. The Manager will monitor on an ongoing basis the value of the collateral to assure that it always equals or exceeds the repurchase price. Certain costs may be incurred by the Fund in connection with the sale of the securities if the seller does not repurchase them in accordance with the repurchase agreement. In addition, if bankruptcy proceedings are commenced with respect to the seller of the securities, realization on the securities by the Fund may be delayed or limited. The Fund will consider on an ongoing basis the creditworthiness of the institutions with which it enters into repurchase agreements.

Risk Factors

Investing in Florida Municipal Obligations. Investors should consider carefully the special risks inherent in the Fund's investment in Florida Municipal Obligations. The Florida Constitution and Statutes mandate that the State budget as a whole, and each separate fund within the State budget, be kept in balance from currently available revenues each State fiscal year. Florida's Constitution permits issuance of Florida Municipal Obligations pledging the full faith and credit of the State, with a vote of the electors, to finance or refinance State fixed capital outlay projects authorized by the Legislature provided that the outstanding principal does not exceed 50% of the total tax revenues of the State for the two preceding years. Florida's Constitution also provides that the Legislature shall appropriate monies sufficient to pay debt service on State bonds pledging the full faith and credit of the State as the same becomes due. All State tax revenues, other than trust funds dedicated by Florida's Constitution for other purposes, would be available for such an appropriation, if required. Revenue bonds may be issued by the State or its agencies without a vote of Florida's electors only to finance or refinance the cost of State fixed capital outlay projects which may be payable solely from funds derived directly from sources other than State tax revenues. Fiscal year 1993-94 total General Revenue and Working Capital funds available totalled approximately \$13.555 billion, an 8.2% increase over 1992-93, which resulted in unencumbered reserves of approximately \$277.9 million at the end of fiscal 1993-94. General Revenue and Working Capital funds available for fiscal 1994-95 are estimated to total \$14.311 billion, a 5.6% increase over 1993-94. The massive effort to rebuild and replace destroyed or damaged property in South Florida after Hurricane Andrew is considered to be responsible for the positive revenue outlook. Investors should review Appendix A which more fully sets forth these and other risk factors.

Lower Rated Bonds. The Fund is permitted to invest in securities rated below Baa by Moody's and below BBB by S&P and Fitch. Such bonds, though higher yielding, are characterized by risk. See in the Prospectus "Description of the Fund--Risk Factors--Lower Rated Bonds" for a discussion of certain risks and "Appendix B" for a general description of Moody's, S&P and Fitch ratings of Municipal Obligations. Although ratings may be useful in evaluating the safety of interest and principal payments, they do not evaluate the market value risk of these bonds. The Fund will rely on the Manager's judgment, analysis and experience in evaluating the creditworthiness of an issuer. In this evaluation, the Manager will take into consideration, among other things, the issuer's financial resources, its sensitivity to economic conditions and trends, the quality of the issuer's management and regulatory matters. It also is possible that a rating agency might not timely change the rating on a particular issue to reflect subsequent events. As stated above, once the rating of a bond in

the Fund's portfolio has been changed, the Manager will consider all circumstances deemed relevant in determining whether the Fund should continue to hold the bond.

Investors should be aware that the market values of many of these bonds tend to be more sensitive to economic conditions than are higher rated securities. These bonds are considered by S&P, Moody's and Fitch, on balance, as predominantly speculative with respect to capacity to pay interest and repay principal in accordance with the terms of the obligation and generally will involve more credit risk than securities in the higher rating categories.

Because there is no established retail secondary market for many of these securities, the Fund anticipates that such securities could be sold only to a limited number of dealers or institutional investors. To the extent a secondary trading market for these bonds does exist, it generally is not as liquid as the secondary market for higher rated securities. The lack of a liquid secondary market may have an adverse impact on market price and yield and the Fund's ability to dispose of particular issues when necessary to meet the Fund's liquidity needs or in response to a specific economic event such as a deterioration in the creditworthiness of the issuer. The lack of a liquid secondary market for certain securities also may make it more difficult for the Fund to obtain accurate market quotations for purposes of valuing the Fund's portfolio and calculating its net asset value. Adverse publicity and investor perceptions, whether or not based on fundamental analysis, may decrease the values and liquidity of these securities. In such cases, judgment may play a greater role in valuation because less reliable, objective data may be available.

These bonds may be particularly susceptible to economic downturns. It is likely that an economic recession could disrupt severely the market for such securities and may have an adverse impact on the value of such securities. In addition, it is likely that any such economic downturn could adversely affect the ability of the issuers of such securities to repay principal and pay interest thereon and increase the incidence of default for such securities.

The Fund may acquire these bonds during an initial offering. Such securities may involve special risks because they are new issues. The Fund has no arrangement with the Distributor or any other persons concerning the acquisition of such securities, and the Manager will review carefully the credit and other characteristics pertinent to such new issues.

Lower rated zero coupon securities, in which the Fund may invest up to 5% of its net assets, involve special considerations. The credit risk factors pertaining to lower rated securities also apply to lower rated zero coupon bonds. Such zero coupon bonds carry an additional risk in that, unlike bonds which pay interest throughout the period to maturity, the Fund will realize no cash until the cash payment date unless a portion of such securities are sold and, if the issuer defaults, the Fund may obtain no return at all on its investment. See "Dividends, Distributions and Taxes."

Investment Restrictions. The Fund has adopted investment restrictions numbered 1 through 7 as fundamental policies. Fundamental policies cannot be changed without approval by the holders of a majority (as defined in the Investment Company Act of 1940, as amended (the "Act")) of the Fund's outstanding voting shares. Investment restrictions numbered 8 through 12 are not fundamental policies and may be changed by a vote of a majority of the Trustees at any time. The Fund may not:

1. Invest more than 25% of its assets in the securities of issuers in any single industry; provided that there shall be no limitation on the purchase of Municipal Obligations and, for defensive purposes, securities issued by banks and obligations issued or guaranteed by the U.S. Government, its agencies or instrumentalities.
2. Borrow money, except from banks for temporary or emergency (not leveraging) purposes in an amount up to 15% of the value of the Fund's total assets (including the amount borrowed) based on the lesser of cost or market, less liabilities (not including the amount borrowed) at the time the borrowing is made. While borrowings exceed 5% of the value of the Fund's total assets, the Fund will not make any additional investments. For purposes of this investment restriction, the entry into options, forward contracts, futures contracts, including those relating to indexes, and options on futures contracts or indexes shall not constitute borrowing.
3. Purchase or sell real estate, commodities or commodity contracts, or oil and gas interests, but this shall not prevent the Fund from investing in Municipal Obligations secured by real estate or interests therein, or prevent the Fund from purchasing and selling

options, forward contracts, futures contracts, including those relating to indexes, and options on futures contract or indexes.

4. Underwrite the securities of other issuers, except that the Fund may bid separately or as part of a group for the purchase of Municipal Obligations directly from an issuer for its own portfolio to take advantage of the lower purchase price available, and except to the extent the Fund may be deemed an underwriter under the Securities Act of 1933, as amended, by virtue of disposing of portfolio securities.

5. Make loans to others, except through the purchase of debt obligations and the entry into repurchase agreements; however, the Fund may lend its portfolio securities in an amount not to exceed 33-1/3% of the value of its total assets. Any loans of portfolio securities will be made according to guidelines established by the Securities and Exchange Commission and the Fund's Board of Trustees.

6. Issue any senior security (as such term is defined in Section 18(f) of the Act), except to the extent that the activities permitted in Investment Restriction Nos. 2, 3 and 10 may be deemed to give rise to a senior security.

7. Purchase securities on margin, but the Fund may make margin deposits in connection with transactions in options, forward contracts, futures contracts, including those relating to indexes, and options on futures contracts or indexes.

8. Purchase securities other than Municipal Obligations and Taxable Investments and those arising out of transactions in futures and options or as otherwise provided in the Fund's Prospectus

9. Invest in securities of other investment companies, except to the extent permitted under the Act.

10. Pledge, hypothecate, mortgage or otherwise encumber its assets, except to the extent necessary to secure borrowings for temporary or emergency purposes and to the extent related to the deposit of assets in escrow in connection with the purchase of securities on a when-issued or delayed delivery basis and collateral and initial or variation margin arrangements with respect to options, forward contracts, futures contracts, including those relating to indexes, and options on futures contracts or indexes.

11. Enter into repurchase agreements providing for settlement in more than seven days after notice or purchase securities which are illiquid (which securities could include participation interests (including municipal lease/purchase agreements) that are not subject to the demand feature described in the Fund's Prospectus, and floating and variable rate demand obligations as to which the Fund cannot exercise the demand feature described in the Fund's Prospectus on less than seven days' notice and as to which there is no secondary market) if, in the aggregate, more than 15% of its net assets would be so invested.

For purposes of Investment Restriction No. 1, industrial development bonds, where the payment of principal and interest is the ultimate responsibility of companies within the same industry, are grouped together as an "industry." If a percentage restriction is adhered to at the time of investment, a later increase or decrease in percentage resulting from a change in values or assets will not constitute a violation of such restriction.

The Fund may make commitments more restrictive than the restrictions listed above so as to permit the sale of Fund shares in certain states. Should the Fund determine that a commitment is no longer in the best interests of the Fund and its shareholders, the Fund reserves the right to revoke the commitment by terminating the sale of Fund shares in the state involved.

MANAGEMENT OF THE FUND

Trustees and officers of the Fund, together with information as to their principal business occupations during at least the last five years, are shown below. Each Trustee who is deemed to be an "interested person" of the Fund, as defined in the Act, is indicated by an asterisk.

Trustees and Officers of the Fund

GORDON J. DAVIS, Trustee. Since 1983, Mr. Davis has been a senior partner with the law firm of Lord Day & Lord, Barrett Smith. Former commissioner of Parks and Recreation for the city of New York from 1978-1983. He is also a director of Consolidated Edison, a utility

company, and Phoenix Home Life Insurance Company and various other corporate and not-for-profit boards. His address is 241 Central Park West, New York, New York 10024.

*DAVID P. FELDMAN, Trustee. Corporate Vice President-Investment Management of AT&T. He is also a trustee of Corporate Property Investors, a real estate investment company. His address is One Oak Way, Berkeley Heights, New Jersey 07922.

LYNN MARTIN, Trustee. Holder of the Davee Chair at the J.L. Kellogg Graduate School of Management, Northwestern University. During the Spring Semester 1993, she was a Visiting Fellow at the Institute of Policy, Kennedy School of Government, Harvard University. Ms. Martin also is a consultant to the international accounting firm of Deloitte & Touche, and chairwoman of its Council on the Advancement of Women. From January 1991 through January 1993, she served as Secretary for the United States Department of Labor. From 1981 to 1991, she was United States Congresswoman for the State of Illinois. She also is a director of Harcourt General Corporation, a publishing, insurance and retailing company, Ameritech Corporation, a telecommunications and information company, and Ryder Systems Incorporated, a transportation company. Her address is 3750 Lake Shore Drive, Chicago, Illinois 60613.

*EUGENE McCARTHY, Trustee. Writer and columnist; former Senator from Minnesota from 1958-1970. His address is P.O. Box 22, Woodville, Virginia 22749.

*RICHARD J. MOYNIHAN, President, Investment Officer and Trustee. An employee of the Manager and an officer, director or trustee of other investment companies advised or administered by the Manager. His address is 200 Park Avenue, New York, New York 10166.

DANIEL ROSE, Trustee. President and Chief Executive Officer of Rose Associates, Inc., a New York based real estate development and management firm. He is also chairman of the Housing Committee of The Real Estate Board of New York, Inc., and a trustee of Corporate Property Investors, a real estate investment company. His address is c/o Rose Associates, Inc., 380 Madison Avenue, New York, New York 10017.

SANDER VANOCUR, Trustee. Since January 1992, Mr. Vanocur has been the President of Old Owl Communications, a full-service communications firm, and since November 1989, he has served as a director of the Damon Runyon-Walter Winchell Cancer Research Fund. From June 1986 to December 1991, he was a Senior Correspondent of ABC News and, from October 1986 to December 1991, he was Anchor of the ABC News program "Business World," a weekly business program on the ABC television network. Mr. Vanocur joined ABC News in 1977. His address is 2928 P Street, N.W., Washington, D.C. 20007.

REX WILDER, Trustee. Financial Consultant. His address is 290 Riverside Drive, New York, New York 10025.

The "non-interested Trustees, Mr. Feldman and Senator McCarthy are also Managing General Partners of Dreyfus Global Growth, L.P. (A Strategic Fund) and Dreyfus Strategic Growth, L.P., trustees of Dreyfus Florida Municipal Money Market, Dreyfus New York Insured Tax Exempt Bond Fund, Dreyfus Investors GNMA Fund, Dreyfus 100% U.S. Treasury Intermediate Term Fund, Dreyfus 100% U.S. Treasury Long Term Fund, Dreyfus 100% U.S. Treasury Money Market Fund and Dreyfus 100% U.S. Treasury Short Term Fund, and directors of Premier Global Investing and Dreyfus New Jersey Municipal Bond Fund, Inc. Messrs. Feldman, Rose and Vanocur are also trustees of Dreyfus BASIC U.S. Government Money Market Fund, Dreyfus California Intermediate Municipal Bond Fund, Dreyfus Connecticut Intermediate Municipal Bond Fund, Dreyfus Massachusetts Intermediate Municipal Bond Fund, Dreyfus New Jersey Intermediate Municipal Bond Fund, Dreyfus Strategic Income and Dreyfus Strategic Investing, and directors of Dreyfus Strategic Governments Income, Inc. and FN Network Tax Free Money Market Fund, Inc. Mr. Feldman is also a director of Dreyfus Edison Electric Index Fund, Inc., Dreyfus Life and Annuity Index Fund, Inc., Dreyfus-Wilshire Target Funds, Inc., Peoples Index Fund, Inc. and Peoples S&P MidCap Index Fund, Inc.

The Fund does not pay any remuneration to its officers and Trustees other than fees and expenses to Trustees who are not officers, directors, employees or holders of 5% or more of the outstanding voting securities of the Manager, which totalled \$13,932 for the fiscal year ended December 31, 1993 for all such Trustees as a group.

Ordinarily, meetings of shareholders for the purpose of electing Trustees will not be held unless and until such time as less than a majority of the Trustees holding office have been elected by shareholders,

at which time the Trustees then in office will call a shareholders' meeting for the election of Trustees. Under the Act, shareholders of record of not less than two-thirds of the outstanding shares of the Fund may remove a Trustee through a declaration in writing or by vote cast in person or by proxy at a meeting called for that purpose. Under the Fund's Agreement and Declaration of Trust, the Trustees are required to call a meeting of shareholders for the purpose of voting upon the question of removal of any such Trustee when requested in writing to do so by the shareholders of record of not less than 10% of the Fund's outstanding shares.

Officers of the Fund Not Listed Above

A. PAUL DISDIER, Vice President and Investment Officer. An employee of the Manager and an officer of other investment companies advised and administered by the Manager.

KAREN M. HAND, Vice President and Investment Officer. An employee of the Manager and an officer of other investment companies advised and administered by the Manager.

STEPHEN C. KRIS, Vice President and Investment Officer. An employee of the Manager and an officer of other investment companies advised and administered by the Manager.

JILL C. SHAFFRO, Vice President and Investment Officer. An employee of the Manager and an officer of other investment companies advised and administered by the Manager.

L. LAWRENCE TROUTMAN, Vice President and Investment Officer. An employee of the Manager and an officer of other investment companies advised and administered by the Manager.

SAMUEL J. WEINSTOCK, Vice President and Investment Officer. An employee of the Manager and an officer of other investment companies advised and administered by the Manager.

MONICA S. WIEBOLDT, Vice President and Investment Officer. An employee of the Manager and an officer of other investment companies advised and administered by the Manager.

DANIEL C. MACLEAN, Vice President. Vice President and General Counsel of the Manager and an officer of other investment companies advised or administered by the Manager.

JEFFREY N. NACHMAN, Vice President and Treasurer. Vice President-Mutual Fund Accounting of the Manager and an officer of other investment companies advised or administered by the Manager.

MARK N. JACOBS, Secretary. Secretary and Deputy General Counsel of the Manager and an officer of other investment companies advised or administered by the Manager.

GREGORY S. GRUBER, Controller. Senior Accounting Manager of the Fund Accounting Department of the Manager and an officer of other investment companies advised or administered by the Manager.

STEVEN F. NEWMAN, Assistant Secretary. Associate General Counsel of the Manager and an officer of other investment companies advised or administered by the Manager.

CHRISTINE PAVALOS, Assistant Secretary. Assistant Secretary of the Manager and other investment companies advised or administered by the Manager.

The address of each officer of the Fund is 200 Park Avenue, New York, New York 10166.

Trustees and officers of the Fund, as a group, owned less than 1% of the Fund's shares of beneficial interest outstanding on March 3, 1994.

The following persons are also officers and/or directors of the Manager: Howard Stein, Chairman of the Board and Chief Executive Officer; Julian M. Smerling, Vice Chairman of the Board of Directors; Joseph S. DiMartino, President, Chief Operating Officer and a director; Alan M. Eisner, Vice President and Chief Financial Officer; David W. Burke, Vice President and Chief Administrative Officer; Robert F. Dubuss, Vice President; Elie M. Genadry, Vice President--Institutional Sales; Peter A. Santoriello, Vice President; Robert H. Schmidt, Vice President; Kirk V. Stumpp, Vice President--New Product Development; Philip L. Toia, Vice President--Fixed-Income Research; John J. Pyburn and Katherine C. Wickham, Assistant Vice Presidents; Maurice Bendrihem, Controller; and Mandell L. Berman, Alvin E. Friedman, Lawrence M. Greene, Abigail Q. McCarthy and

MANAGEMENT AGREEMENT

The following information supplements and should be read in conjunction with the section in the Fund's Prospectus entitled "Management of the Fund."

The Manager provides management services pursuant to the Management Agreement (the "Agreement") dated December 20, 1991 with the Fund, which is subject to annual approval by (i) the Fund's Board of Trustees or (ii) vote of a majority (as defined in the Act) of the outstanding voting securities of the Fund, provided that in either event the continuance also is approved by a majority of the Trustees who are not "interested persons" (as defined in the Act) of the Fund or the Manager, by vote cast in person at a meeting called for the purpose of voting on such approval. The Agreement was approved by shareholders at a meeting held on May 11, 1993. The Agreement was last approved by the Fund's Board of Trustees, including a majority of the Trustees who are not "interested persons" of any party to the agreement, at a meeting held on November 9, 1993. The Agreement is terminable without penalty, on 60 days' notice, by the Fund's Board of Trustees or by vote of the holders of a majority of the Fund's shares, or, on not less than 90 days' notice, by the Manager. The Agreement will terminate automatically in the event of its assignment (as defined in the Act).

The Manager manages the Fund's portfolio of investments in accordance with the stated policies of the Fund, subject to the approval of the Fund's Board of Trustees. The Manager is responsible for investment decisions, and provides the Fund with Investment Officers who are authorized by the Board of Trustees to execute purchases and sales of securities. The Fund's Investment Officers are Richard J. Moynihan, A. Paul Disdier, Karen M. Hand, Stephen C. Kris, L. Lawrence Troutman, Samuel J. Weinstock, Monica S. Wieboldt and Jill C. Shaffro. The Manager also maintains a research department with a professional staff of portfolio managers and securities analysts who provide research services for the Fund as well as for other funds advised by the Manager. All purchases and sales are reported for the Trustees' review at the meeting subsequent to such transactions.

All expenses incurred in the operation of the Fund are borne by the Fund, except to the extent specifically assumed by the Manager. The expenses borne by the Fund include: organizational costs, taxes, interest, brokerage fees and commissions, if any, fees of Trustees who are not officers, directors, employees or holders of 5% or more of the outstanding voting securities of the Manager, Securities and Exchange Commission fees, state Blue Sky qualification fees, advisory fees, charges of custodians, transfer and dividend disbursing agents' fees, certain insurance premiums, industry association fees, outside auditing and legal expenses, costs of maintaining the Fund's existence, costs of independent pricing services, costs attributable to investor services (including, without limitation, telephone and personnel expenses), costs of shareholders' reports and meetings, costs of preparing and printing prospectuses and statements of additional information for regulatory purposes and for distribution to existing shareholders, and any extraordinary expenses.

The Manager pays the salaries of all officers and employees employed by both it and the Fund, maintains office facilities and furnishes statistical and research data, clerical help, accounting, data processing, bookkeeping and internal auditing and certain other required services. The Manager also may make such advertising and promotional expenditures, using its own resources, as it from time to time deems appropriate.

The Manager, from time to time, from its own funds, other than the management fee paid by the Fund, but including past profits, may make payments for shareholder servicing and distribution services to the Distributor. The Distributor in turn may pay part or all of such compensation to securities dealers or other persons for their servicing or distribution assistance.

As compensation for the Manager's services, the Fund pays the Manager a monthly management fee at the annual rate of .60 of 1% of the value of the Fund's average daily net assets. All fees and expenses are accrued daily and deducted before declaration of dividends to investors. For the period January 21, 1992 (commencement of operations) through December 31, 1992, and the fiscal year ended December 31, 1993, no management fees were paid by the Fund pursuant to undertakings by the Manager.

The Manager has agreed that if in any fiscal year the aggregate expenses of the Fund, exclusive of taxes, brokerage, interest on borrowings and (with the prior written consent of the necessary state securities commissions) extraordinary expenses, but including the

management fee, exceed the expense limitation of any state having jurisdiction over the Fund, the Fund may deduct from the payment to be made to the Manager under the Agreement, or the Manager will bear, such excess expense to the extent required by state law. Such deduction or payment, if any, will be estimated daily, and reconciled and effected or paid, as the case may be, on a monthly basis.

The aggregate of the fees payable to the Manager is not subject to reduction as the value of the Fund's net assets increases.

SHAREHOLDER SERVICES PLAN

The following information supplements and should be read in conjunction with the section in the Fund's Prospectus entitled "Shareholder Services Plan."

The Fund has adopted a Shareholder Services Plan (the "Plan"), pursuant to which the Fund reimburses the Distributor for certain allocated expenses of providing personal services and/or maintaining shareholder accounts. The services provided may include personal services relating to shareholder accounts, such as answering shareholder inquiries regarding the Fund and providing reports and other information, and services related to the maintenance of shareholder accounts.

A quarterly report of the amounts expended under the Plan, and the purposes for which such expenditures were incurred, must be made to the Trustees for their review. In addition, the Plan provides that material amendments of the Plan must be approved by the Board of Trustees, and by the Trustees who are not "interested persons" (as defined in the Act) of the Fund and have no direct or indirect financial interest in the operation of the Plan, by vote cast in person at a meeting called for the purpose of considering such amendments. The Plan is subject to annual approval by such vote of the Trustees cast in person at a meeting called for the purpose of voting on the Plan. The Plan was so approved on July 20, 1993. The Plan is terminable at any time by vote of a majority of the Trustees who are not "interested persons" and who have no direct or indirect financial interest in the operation of the Plan.

PURCHASE OF FUND SHARES

The following information supplements and should be read in conjunction with the section in the Fund's Prospectus entitled "How to Buy Fund Shares."

The Distributor. The Distributor serves as the Fund's distributor pursuant to an agreement which is renewable annually. The Distributor also acts as distributor for the other funds in the Dreyfus Family of Funds and for certain other investment companies.

Services Charges. There is no sales or service charge by the Fund or the Distributor, although investment dealers, banks and other institutions may make reasonable charges to investors for their services. The services provided and the applicable fees are established by each dealer or other institution acting independently of the Fund. The Fund has been given to understand that these fees may be charged for customer services including, but not limited to, same-day investment of client funds; same-day access to client funds; advice to customers about the status of their accounts, yield currently being paid or income earned to date; provision of periodic account statements showing security and money market positions; other services available from the dealer, bank or other institution; and assistance with inquiries related to their investment. Any such fees will be deducted monthly from the investor's account, which on smaller accounts could constitute a substantial portion of distributions. Small, inactive, long-term accounts involving monthly service charges may not be in the best interest of investors. Investors should be aware that they may purchase shares of the Fund directly from the Fund without imposition of any maintenance or service charges, other than those already described herein. In some states, banks or other financial institutions effecting transactions in Fund shares may be required to register as dealers pursuant to state law.

Dreyfus TeleTransfer Privilege. Dreyfus TeleTransfer purchase orders may be made between the hours of 8:00 a.m. and 4:00 p.m., New York time, on any business day that The Shareholder Services Group, Inc., the Fund's transfer and dividend disbursing agent (the "Transfer Agent"), and the New York Stock Exchange are open. Such purchases will be credited to the shareholder's Fund account on the next bank business day. To qualify to use the Dreyfus TeleTransfer Privilege, the initial payment for purchase of Fund shares must be drawn on, and redemption proceeds paid to, the same bank and account as are designated on the Account Application or Shareholder Services Form on file. If the proceeds of a particular redemption are to be wired to an account at any other bank, the request must be in writing and signature-guaranteed. See "Redemption of Fund

Reopening an Account. An investor may reopen an account with a minimum investment of \$100 without filing a new Account Application during the calendar year the account is closed or during the following calendar year, provided the information on the old Account Application is still applicable.

REDEMPTION OF FUND SHARES

The following information supplements and should be read in conjunction with the section in the Fund's Prospectus entitled "How to Redeem Fund Shares."

Check Redemption Privilege. An investor may indicate on the Account Application or by later written request that the Fund provide Redemption Checks ("Checks") drawn on the Fund's account. Checks will be sent only to the registered owner(s) of the account and only to the address of record. The Account Application or later written request must be manually signed by the registered owner(s). Checks may be made payable to the order of any person in an amount of \$500 or more. When a Check is presented to the Transfer Agent for payment, the Transfer Agent, as the investor's agent, will cause the Fund to redeem a sufficient number of shares in the investor's account to cover the amount of the Check. Dividends are earned until the Check clears. After clearance, a copy of the Check will be returned to the investor. Investors generally will be subject to the same rules and regulations that apply to checking accounts, although election of this Privilege creates only a shareholder-transfer agent relationship with the Transfer Agent.

If the amount of the Check is greater than the value of the shares in an investor's account, the Check will be returned marked insufficient funds. Checks should not be used to close an account.

Wire Redemption Privilege. By using this Privilege, the investor authorizes the Transfer Agent to act on wire or telephone redemption instructions from any person representing himself or herself to be the investor and reasonably believed by the Transfer Agent to be genuine. Ordinarily, the Fund will initiate payment for shares redeemed pursuant to this Privilege on the next business day after receipt if the Transfer Agent receives the redemption request in proper form. Redemption proceeds will be transferred by Federal Reserve wire only to the commercial bank account specified by the investor on the Account Application or Shareholder Services Form. Redemption proceeds, if wired, must be in the amount of \$1,000 or more and will be wired to the investor's account at the bank of record designated in the investor's file at the Transfer Agent, if the investor's bank is a member of the Federal Reserve System, or to a correspondent bank if the investor's bank is not a member. Fees ordinarily are imposed by such bank and usually are borne by the investor. Immediate notification by the correspondent bank to the investor's bank is necessary to avoid a delay in crediting the funds to the investor's bank account.

Investors with access to telegraphic equipment may wire redemption requests to the Transfer Agent by employing the following transmittal code which may be used for domestic or overseas transmissions:

Transmittal Code	Transfer Agent's Answer Back Sign
144295	144295 TSSG PREP

Investors who do not have direct access to telegraphic equipment may have the wire transmitted by contacting a TRT Cables operator at 1-800-654-7171, toll free. Investors should advise the operator that the above transmittal code must be used and should also inform the operator of the Transfer Agent's answer back sign.

To change the commercial bank or account designated to receive redemption proceeds, a written request must be sent to the Transfer Agent. This request must be signed by each shareholder, with each signature guaranteed as described below under "Share Certificates; Signatures."

Dreyfus TeleTransfer Privilege. Investors should be aware that if they have selected the Dreyfus TeleTransfer Privilege, any request for a wire redemption will be effected as a Dreyfus TeleTransfer transaction through the Automated Clearing House ("ACH") system unless more prompt transmittal specifically is requested. Redemption proceeds will be on deposit in the investor's account at an ACH member bank ordinarily two business days after receipt of the redemption request. See "Purchase of Fund Shares--Dreyfus TeleTransfer Privilege."

Share Certificates; Signatures. Any certificates representing Fund shares to be redeemed must be submitted with the redemption request. Written redemption requests must be signed by each shareholder, including each holder of a joint account, and each signature must be guaranteed. Signatures on endorsed certificates submitted for redemption also must be guaranteed. The Transfer Agent has adopted standards and procedures pursuant to which signature-guarantees in proper form generally will be accepted from domestic banks, brokers, dealers, credit unions, national securities exchanges, registered securities associations, clearing agencies and savings associations, as well as from participants in the New York Stock Exchange Medallion Signature Program, the Securities Transfer Agents Medallion Program ("STAMP") and the Stock Exchanges Medallion Program. Guarantees must be signed by an authorized signatory of the grantor and "Signature-Guaranteed" must appear with the signature. The Transfer Agent may request additional documentation from corporations, executors, administrators, trustees or guardians and may accept other suitable verification arrangements from foreign investors, such as consular verification. For more information with respect to signature-guarantees, please call the telephone number listed on the cover.

Redemption Commitment. The Fund has committed itself to pay in cash all redemption requests by any shareholder of record, limited in amount during any 90-day period to the lesser of \$250,000 or 1% of the value of the Fund's net assets at the beginning of such period. Such commitment is irrevocable without the prior approval of the Securities and Exchange Commission. In the case of requests for redemption in excess of such amount, the Board of Trustees reserves the right to make payments in whole or part in securities or other assets of the Fund in case of an emergency or any time a cash distribution would impair the liquidity of the Fund to the detriment of the existing shareholders. In such event, the securities would be valued in the same manner as the Fund's portfolio is valued. If the recipient sold such securities, brokerage charges would be incurred.

Suspension of Redemptions. The right of redemption may be suspended or the date of payment postponed (a) during any period when the New York Stock Exchange is closed (other than customary weekend and holiday closings), (b) when trading in the markets the Fund ordinarily utilizes is restricted, or when an emergency exists as determined by the Securities and Exchange Commission so that disposal of the Fund's investments or determination of its net asset value is not reasonably practicable, or (c) for such other periods as the Securities and Exchange Commission by order may permit to protect the Fund's shareholders.

SHAREHOLDER SERVICES

The following information supplements and should be read in conjunction with the section in the Fund's Prospectus entitled "Shareholder Services."

Exchange Privilege. Shares of other funds purchased by exchange will be purchased on the basis of relative net asset value per share as follows:

- A. Exchanges for shares of funds that are offered without a sales load will be made without a sales load.
- B. Shares of funds purchased without a sales load may be exchanged for shares of other funds sold with a sales load, and the applicable sales load will be deducted.
- C. Shares of funds purchased with a sales load may be exchanged without a sales load for shares of other funds sold without a sales load.
- D. Shares of funds purchased with a sales load, shares of funds acquired by a previous exchange from shares purchased with a sales load and additional shares acquired through reinvestment of dividends or distributions of any such funds (collectively referred to herein as "Purchased Shares") may be exchanged for shares of other funds sold with a sales load (referred to herein as "Offered Shares"), provided that, if the sales load applicable to the Offered Shares exceeds the maximum sales load that could have been imposed in connection with the Purchased Shares (at the time the Purchased Shares were acquired), without giving effect to any reduced loads, the difference will be deducted.

To accomplish an exchange under item D above, shareholders must notify the Transfer Agent of their prior ownership of fund shares and their account number.

To use this Privilege, an investor must give exchange instructions to the Transfer Agent in writing, by wire or by telephone. Telephone exchanges may be made only if the appropriate "YES" box has been checked on the Account Application, or a separate signed Shareholder Services Form is on file with the Transfer Agent. By using this Privilege, the investor authorizes the Transfer Agent to act on telephonic, telegraphic or written exchange instructions from any person representing himself or herself to be the investor, and reasonably believed by the Transfer Agent to be genuine. Telephone exchanges may be subject to limitations as to the amount involved or the number of telephone exchanges permitted. Shares issued in certificate form are not eligible for telephone exchange.

To establish a Personal Retirement Plan by exchange, shares of the fund being exchanged must have a value of at least the minimum initial investment required for the fund into which the exchange is being made. For Dreyfus-sponsored Keogh Plans, IRAs and IRAs set up under a Simplified Employee Pension Plan ("SEP-IRAs") with only one participant, the minimum initial investment is \$750. To exchange shares held in Corporate Plans, 403(b)(7) Plans and SEP-IRAs with more than one participant, the minimum initial investment is \$100 if the plan has at least \$2,500 invested among the funds in the Dreyfus Family of Funds. To exchange shares held in Personal Retirement Plans, the shares exchanged must have a current value of at least \$100.

Dreyfus Auto-Exchange Privilege. Dreyfus Auto-Exchange permits an investor to purchase, in exchange for shares of the Fund, shares of another fund in the Dreyfus Family of Funds. This Privilege is available only for existing accounts. Shares will be exchanged on the basis of relative net asset value as described above under "Exchange Privilege." Enrollment in or modification or cancellation of this Privilege is effective three business days following notification by the investor. An investor will be notified if his account falls below the amount designated under this Privilege. In this case, an investor's account will fall to zero unless additional investments are made in excess of the designated amount prior to the next Auto-Exchange transaction. Shares held under IRA and other retirement plans are eligible for this Privilege. Exchanges of IRA shares may be made between IRA accounts and from regular accounts to IRA accounts, but not from IRA accounts to regular accounts. With respect to all other retirement accounts, exchanges may be made only among those accounts.

The Exchange Privilege and Dreyfus Auto-Exchange Privilege are available to shareholders resident in any state in which shares of the fund being acquired may legally be sold. Shares may be exchanged only between accounts having identical names and other identifying designations.

Shareholder Services Forms and prospectuses of the other funds may be obtained from the Distributor, 144 Glenn Curtiss Boulevard, Uniondale, New York 11556-0144. The Fund reserves the right to reject any exchange request in whole or in part. The Exchange Privilege or Dreyfus Auto-Exchange Privilege may be modified or terminated at any time upon notice to shareholders.

Automatic Withdrawal Plan. The Automatic Withdrawal Plan permits an investor with a \$5,000 minimum account to request withdrawal of a specified dollar amount (minimum of \$50) on either a monthly or quarterly basis. Withdrawal payments are the proceeds from sales of Fund shares, not the yield on the shares. If withdrawal payments exceed reinvested dividends and distributions, the investor's shares will be reduced and eventually may be depleted. An Automatic Withdrawal Plan may be established by completing the appropriate application available from the Distributor. There is a service charge of \$.50 for each withdrawal check. Automatic Withdrawal may be terminated at any time by the investor, the Fund or the Transfer Agent. Shares for which certificates have been issued may not be redeemed through the Automatic Withdrawal Plan.

Dreyfus Dividend Sweep Privilege. Dreyfus Dividend Sweep Privilege allows investors to invest on the payment date their dividends or dividends and capital gain distributions, if any, from the Fund in shares of another fund in the Dreyfus Family of Funds of which the investor is a shareholder. Shares of other funds purchased pursuant to this Privilege will be purchased on the basis of relative net asset value per share as follows:

- A. Dividends and distributions paid by a fund may be invested without imposition of a sales load in shares of other funds that are offered without a sales load.
- B. Dividends and distributions paid by a fund which does not charge a sales load may be invested in shares of other funds sold with a sales load, and the applicable sales load will be deducted.

- C. Dividends and distributions paid by a fund which charges a sales load may be invested in shares of other funds sold with a sales load (referred to herein as "Offered Shares"), provided that, if the sales load applicable to the Offered Shares exceeds the maximum sales load charged by the fund from which dividends or distributions are being swept, without giving effect to any reduced loads, the difference will be deducted.
- D. Dividends and distributions paid by a fund may be invested in shares of other funds that impose a contingent deferred sales charge ("CDSC") and the applicable CDSC, if any, will be imposed upon redemption of such shares.

DETERMINATION OF NET ASSET VALUE

The following information supplements and should be read in conjunction with the section in the Fund's Prospectus entitled "How to Buy Fund Shares."

Valuation of Portfolio Securities. The Fund's investments are valued by an independent pricing service (the "Service") approved by the Board of Trustees. When, in the judgment of the Service, quoted bid prices for investments are readily available and are representative of the bid side of the market, these investments are valued at the mean between the quoted bid prices (as obtained by the Service from dealers in such securities) and asked prices (as calculated by the Service based upon its evaluation of the market for such securities). Other investments (which constitute a majority of the portfolio securities) are carried at fair value as determined by the Service, based on methods which include consideration of: yields or prices of municipal bonds of comparable quality, coupon, maturity and type; indications as to values from dealers; and general market conditions. The Service may employ electronic data processing techniques and/or a matrix system to determine valuations. The Service's procedures are reviewed by the Fund's officers under the general supervision of the Board of Trustees. Expenses and fees, including the management fee (reduced by the expense limitation, if any), are accrued daily and are taken into account for the purpose of determining the net asset value of Fund shares.

New York Stock Exchange Closings. The holidays (as observed) on which the New York Stock Exchange is closed currently are: New Year's Day, Presidents' Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving and Christmas.

PORTFOLIO TRANSACTIONS

Portfolio securities ordinarily are purchased from and sold to parties acting as either principal or agent. Newly-issued securities ordinarily are purchased directly from the issuer or from an underwriter; other purchases and sales usually are placed with those dealers from which it appears that the best price or execution will be obtained. Usually no brokerage commissions, as such, are paid by the Fund for such purchases and sales, although the price paid usually includes an undisclosed compensation to the dealer acting as agent. The prices paid to underwriters of newly-issued securities usually include a concession paid by the issuer to the underwriter, and purchases of after-market securities from dealers ordinarily are executed at a price between the bid and asked price. No brokerage commissions have been paid by the Fund to date.

Transactions are allocated to various dealers by the Fund's Investment Officers in their best judgment. The primary consideration is prompt and effective execution of orders at the most favorable price. Subject to that primary consideration, dealers may be selected for research, statistical or other services to enable the Manager to supplement its own research and analysis with the views and information of other securities firms.

Research services furnished by brokers through which the Fund effects securities transactions may be used by the Manager in advising other funds it advises and, conversely, research services furnished to the Manager by brokers in connection with other funds the Manager advises may be used by the Manager in advising the Fund. Although it is not possible to place a dollar value on these services, it is the opinion of the Manager that the receipt and study of such services should not reduce the overall expenses of its research department.

DIVIDENDS, DISTRIBUTIONS AND TAXES

The following information supplements and should be read in

conjunction with the section in the Fund's Prospectus entitled "Dividends, Distributions and Taxes."

The Internal Revenue Code of 1986, as amended (the "Code"), provides that if a shareholder has not held his Fund shares for more than six months (or such shorter period as the Internal Revenue Service may prescribe by regulation) and has received an exempt-interest dividend with respect to such shares, any loss incurred on the sale of such shares shall be disallowed to the extent of the exempt-interest dividend received. In addition, any dividend or distribution paid shortly after an investor's purchase may have the effect of reducing the net asset value of his shares below the cost of his investment. Such a distribution should be a return on the investment in an economic sense although taxable as stated in "Dividends, Distributions and Taxes" in the Prospectus.

Ordinarily, gains and losses realized from portfolio transactions will be treated as capital gain or loss. However, all or a portion of any gains realized from the sale or other disposition of certain market discount bonds will be treated as ordinary income under Section 1276 of the Code. In addition, all or a portion of the gain realized from engaging in "conversion transactions" may be treated as ordinary income under Section 1258. "Conversion transactions" are defined to include certain forward, futures, option and "straddle" transactions, transactions marketed or sold to produce capital gains, or transactions described in Treasury regulations to be issued in the future.

Under Section 1256 of the Code, gain or loss realized by the Fund from certain financial futures and options transactions will be treated as 60% long-term capital gain or loss and 40% short-term capital gain or loss. Gain or loss will arise upon exercise or lapse of such futures and options as well as from closing transactions. In addition, any such futures or options remaining unexercised at the end of the fund's taxable year will be treated as sold for their then fair market value, resulting in additional gain or loss to the Fund characterized in the manner described above.

Offsetting positions held by the Fund involving certain financial futures contracts or options transactions may be considered, for tax purposes, to constitute "straddles." "Straddles" are defined to include "offsetting positions" in actively traded personal property. The tax treatment of "straddles" is governed by Sections 1092 and 1258 of the Code, which, in certain circumstances, override or modify the provisions of Section 1256. As such, all or a portion of any short or long-term capital gain from certain "straddle" and/or conversion transactions may be recharacterized to ordinary income.

If the fund were treated as entering into "straddles" by reason of its engaging in financial futures contract or options transactions, such "straddles" would be characterized as "mixed straddles" if the futures or options comprising a part of such "straddles" were governed by Section 1256 of the Code. The Fund may make one or more elections with respect to "mixed straddles." If no election is made, to the extent the straddle rules apply to positions established by the Fund, losses realized by the Fund will be deferred to the extent of unrealized gain in any offsetting positions. Moreover, as a result of the straddle and the conversion transaction rules, short-term capital loss on straddle positions may be recharacterized as long-term capital loss and long-term capital gain may be recharacterized as short-term capital gain or ordinary income.

Investment by the Fund in securities issued at a discount or providing for deferred interest or for payment of interest in the form of additional obligations could, under special tax rules, affect the amount, timing and character of distributions to shareholders. For example, the Fund could be required to take into account annually a portion of the discount (or deemed discount) at which such securities were issued and to distribute such portion in order to maintain its qualification as a regulated investment company. In such case, the Fund may have to dispose of securities which it might otherwise have continued to hold in order to generate cash to satisfy these distribution requirements.

PERFORMANCE INFORMATION

The following information supplements and should be read in conjunction with the section in the Fund's Prospectus entitled "Performance Information."

The Fund's current yield for the 30-day period ended December 31, 1993 was 4.31%, which reflects the absorption of expenses pursuant to expense limitations in effect. See "Management of the Fund" in the Prospectus. Had expenses not been absorbed, the Fund's current yield for the same period would have been 3.89%. Current yield is computed pursuant to a formula which operates as follows: The amount of the Fund's expenses

accrued for the 30-day period (net of reimbursements) is subtracted from the amount of the dividends and interest earned (computed in accordance with regulatory requirements) by the Fund during the period. That result is then divided by the product of: (a) the average daily number of shares outstanding during the period that were entitled to receive dividends, and (b) the net asset value per share on the last day of the period less any undistributed earned income per share reasonably expected to be declared as a dividend shortly thereafter. The quotient is then added to 1, and that sum is raised to the 6th power, after which 1 is subtracted. The current yield is then arrived at by multiplying the result by 2.

Based upon a Federal personal income tax rate of 39.60%, the Fund's tax equivalent yield for the 30-day period ended December 31, 1993 was 7.14%, which reflects the absorption of expenses pursuant to expense limitations in effect. See "Management of the Fund" in the Prospectus. Had expenses not been absorbed, the Fund's tax equivalent yield for the same period would have been 6.44%. Tax equivalent yield is computed by dividing that portion of the current yield (calculated as described above) which is tax exempt by 1 minus a stated tax rate and adding the quotient to that portion, if any, of the yield of the Fund that is not tax exempt.

The Fund's average annual total return for the 1 and 1.945 year periods ended December 31, 1993 was 12.84% and 11.41%, respectively. Average annual total return is calculated by determining the ending redeemable value of an investment purchased with a hypothetical \$1,000 payment made at the beginning of the period (assuming the reinvestment of dividends and distributions), dividing by the amount of the initial investment, taking the "n"th root of the quotient (where "n" is the number of years in the period) and subtracting 1 from the result.

The Fund's total return for the period January 21, 1992 (commencement of operations) through December 31, 1993 was 23.39%. The Fund's total return figure referenced above reflects the absorption of certain expenses. Had these expenses not been absorbed, total return would have been lower. Total return is calculated by subtracting the amount of the Fund's net asset value per share at the beginning of a stated period from the net asset value per share at the end of the period (after giving effect to the reinvestment of dividends and distributions during the period), and dividing the result by the net asset value per share at the beginning of the period.

From time to time, the Fund may use hypothetical tax equivalent yields or charts in its advertising. These hypothetical yields or charts will be used for illustrative purposes only and are not indicative of the Fund's past or future performance. Advertising materials for the Fund also may refer to or discuss then-current or past economic conditions, developments and/or events, including those relating to or arising from actual or proposed tax legislation. From time to time, advertising materials for the Fund may refer to statistical or other information concerning trends relating to investment companies, as compiled by industry associations such as the Investment Company Institute, and may refer to Morningstar ratings and related analyses supporting such ratings.

From time to time, advertising materials for the Fund may occasionally include information about other similar funds and may refer to the Fund as the first Florida municipal bond fund available to investors with no sales load. In addition, such materials may include a discussion or a comparison of certain specific attributes of those funds, including, but not limited to, required minimum and subsequent investments, required minimum balances, sales loads, portfolio investments and other investment services.

INFORMATION ABOUT THE FUND

The following information supplements and should be read in conjunction with the section in the Fund's Prospectus entitled "General Information."

Each Fund share has one vote and, when issued and paid for in accordance with the terms of the offering, is fully paid and non-assessable. Fund shares are of one class and have equal rights as to dividends and in liquidation. Shares have no preemptive, subscription or conversion rights and are freely transferable.

The Fund will send annual and semi-annual financial statements to all its shareholders.

CUSTODIAN, TRANSFER AND DIVIDEND DISBURSING AGENT, COUNSEL
AND INDEPENDENT AUDITORS

The Bank of New York, 110 Washington Street, New York, New York 10286, is the Fund's custodian. The Shareholder Services Group, Inc., a

subsidiary of First Data Corporation, P.O. Box 9671, Providence, Rhode Island 02940-9671, is the Fund's transfer and dividend disbursing agent. Neither The Bank of New York nor The Shareholder Services Group, Inc. has any part in determining the investment policies of the Fund or which securities are to be purchased or sold by the Fund.

Stroock & Stroock & Lavan, 7 Hanover Square, New York, New York 10004-2696, as counsel for the Fund, has rendered its opinion as to certain legal matters regarding the due authorization and valid issuance of the shares of beneficial interest being sold pursuant to the Fund's Prospectus.

Ernst & Young, 787 Seventh Avenue, New York, New York 10019, independent auditors, have been selected as auditors of the Fund.

APPENDIX A

RISK FACTORS - INVESTING IN FLORIDA MUNICIPAL OBLIGATIONS

The following information constitutes only a brief summary, does not purport to be a complete description, and is based on information available as of the date of this Statement of Additional Information. While the Fund has not independently verified such information, it has no reason to believe that such information is not correct in all material respects.

General - The Florida Constitution and Statutes mandate that the State budget as a whole, and each separate fund within the State budget, be kept in balance from currently available revenues each fiscal year. Florida's Constitution permits issuance of Florida Municipal Obligations pledging the full faith and credit of the State, with a vote of the electors, to finance or refinance fixed capital outlay projects authorized by the Legislature provided that the outstanding principal does not exceed 50% of the total tax revenues of the State for the two preceding years. Florida's Constitution also provides that the Legislature shall appropriate monies sufficient to pay debt service on State bonds pledging the full faith and credit of the State as the same becomes due.

Revenues and Expenditures. Financial operations of the State of Florida covering all receipts and expenditures are maintained through the use of three fund types - the General Revenue Fund, Trust Funds and the Working Capital Fund. The General Revenue Fund receives the majority of State tax revenues. The Trust Funds consist of monies received by the State which under law or trust agreement are segregated for a purpose authorized by law. Revenues in the General Revenue Fund which are in excess of the amount needed to meet appropriations may be transferred to the Working Capital Fund. The Florida Constitution and Statutes mandate that the State budget as a whole, and each separate fund within the State budget, be kept in balance from currently available revenues each State fiscal year.

For fiscal year 1993-94, General Revenue plus Working Capital funds available totalled approximately \$13.555 billion, an 8.2% increase over 1992-93, resulting in unencumbered reserves of approximately \$277.9 million. This amount reflected a transfer of \$190 million, out of an estimated \$220 million in non-recurring revenue due to Hurricane Andrew, to a hurricane relief trust fund. For fiscal year 1994-95, General Revenue plus Working Capital funds available are estimated to total approximately \$14.311 billion, a 5.6% increase over 1993-94. This amount reflects a transfer of \$159 million in non-recurring revenue due to Hurricane Andrew, to a hurricane relief trust fund. Fiscal year 1992-93 General Revenue plus Working Capital funds available totalled \$12.533 billion, and total effective appropriations were \$11.987 billion, resulting in unencumbered reserves of \$543.5 million at the end of the fiscal year. The massive effort to rebuild and replace destroyed or damaged property in the wake of Hurricane Andrew is responsible for the substantial positive revenue estimates shown. Most of the impact is in the sales tax. Florida ended fiscal years 1990-91 and 1991-92 with General Revenue plus Working Capital funds unencumbered reserves of approximately \$50 million and \$184.6 million, respectively.

In fiscal year 1992-93, the State derived approximately 62% of its total direct revenues to the General Revenue Fund, Trust Funds and Working Capital Fund from State taxes. Federal grants and other special revenues accounted for the remaining revenues. Major sources of tax revenues to the General Revenue Fund are the sales and use tax, corporate income tax, intangible personal property tax and beverage tax, which amounted to 68%, 7%, 4% and 4%, respectively, of total General Revenue Fund receipts.

State expenditures are categorized for budget and appropriation purposes by type of fund and spending unit, which are further subdivided

by line item. In fiscal year 1992-93, expenditures from the General Revenue Fund for education, health and welfare and public safety amounted to approximately 49%, 30% and 11%, respectively, of total General Revenues fund receipts.

Sales and Use Tax. The greatest single source of tax receipts in Florida is the sales and use tax. The sales tax is 6% of the sales price of tangible personal property sold at retail in the State. The use tax is 6% of the cost price of tangible personal property when the same is not sold but is used, or stored for use, in the State. The use tax also applies to the use in the State of tangible personal property purchased outside Florida which would have been subject to the sales tax if purchased from a Florida dealer. Less than 10% of the sales tax is designated for local governments and is distributed to the respective counties in which collected for use by such counties and municipalities therein. In addition to this distribution, local governments may (by referendum) assess a .5% or 1% discretionary sales surtax within their county. Proceeds from this local option sales tax are earmarked for funding local infrastructure programs and acquiring land for public recreation or conservation or protection of natural resources. In addition, non-consolidated counties with populations in excess of 800,000 may levy a local option sales tax to fund indigent health care. This tax rate may not exceed .5% and the combined levy of the indigent health care surtax and the infrastructure surtax described above may not exceed 1%. Furthermore, charter counties which adopted a charter prior to June 1, 1976, and each county with a consolidated county/municipal government, may (by referendum) assess up to a 1% discretionary sales surtax within their county. Proceeds from this tax are earmarked for the development, construction, maintenance and operation of a fixed guideway rapid transit system or may be remitted to an expressway or transportation authority for use on county roads and bridges, for a bus system, or to service bonds financing roads and bridges. The two taxes, sales and use, stand as complements to each other, and taken together provide a uniform tax upon either the sale at retail or the use of all tangible personal property irrespective of where it may have been purchased. This tax also includes a levy on the following: (i) rentals of tangible personal property, transient lodging and non-residential real property; (ii) admissions to places of amusements, most sports and recreation events; (iii) utilities, except those used in homes; and (iv) restaurant meals. Exemptions include: groceries; medicines; hospital rooms and meals; fuels used to produce electricity; purchases by religious, charitable and educational nonprofit institutions; most professional, insurance and personal service transactions; apartments used as permanent dwellings; the trade-in value of motor vehicles; and residential utilities.

All receipts of the sales and use tax, with the exception of the tax on gasoline and special fuels, are credited to either the General Revenue Fund, the Solid Waste Management Trust Fund, or counties and cities. For the State fiscal year which ended June 30, 1993, receipts from this source were \$9.426 billion, an increase of 12.5% from fiscal year 1991-92.

Motor Fuel Tax. The second largest source of State tax receipts is the tax on motor fuels. Preliminary data show collections from this source in the State fiscal year ended June 30, 1992, were \$1.476 billion. However, these revenues are almost entirely dedicated trust funds for specific purposes and are not included in the State General Revenue Fund.

State and local taxes on motor fuels (gasoline and special fuel) include several distinct fuel taxes: (i) the State sales tax on motor fuels, levied at 6% of the average retail price per gallon of fuel, not to fall below 6.9 cents per gallon; (ii) the State excise tax of four cents per gallon of motor fuel, proceeds distributed to local governments; (iii) the State Comprehensive Enhanced Transportation System (SCETS) tax, which is levied at a rate in each county equal to two-thirds of the sum of the county's local option motor fuel taxes; and (iv) local option motor fuel taxes, which may range between one cent to seven cents per gallon.

Alcoholic Beverage Tax. Florida's alcoholic beverage tax is an excise tax on beer, wine, and liquor. This tax is one of the State's major tax sources, with revenues totalling \$442.2 million in State fiscal year ended June 30, 1993. Alcoholic beverage receipts increased 1.6% from the previous year's total. The revenues collected from this tax are deposited into the State's General Revenue Fund.

The 1990 Legislature established a surcharge on alcoholic beverages. This charge is levied on alcoholic beverages sold for consumption on premises. The surcharge is at ten cents per ounce of liquor, ten cents per four ounces of wine, four cents per twelve ounces of beer. Most of these proceeds are deposited into the General Revenue Fund. In fiscal 1992-93, a total of \$97.0 million was collected.

Corporate Income Tax. Pursuant to an amendment to the State Constitution, the State Legislature adopted, effective January 1, 1972,

the "Florida Income Tax Code" imposing a tax upon the net income of corporations, organizations, associations and other artificial entities for the privilege of conducting business, deriving income or existing within the State. This tax does not apply to natural persons who engage in a trade or business or profession under their own or any fictitious name, whether individually as proprietorships or in partnerships with others, estates of decedents or incompetents, or testamentary trusts.

The tax is imposed in an amount equal to 5.5% of the taxpayer's net corporate income for the taxable year, less a \$5,000 exemption, as defined in such Code. Net income is defined by the Code as that share of a taxpayer's adjusted Federal income for such year which is apportioned to the State of Florida. Apportionment is by weighted factors of sales (50%), property (25%) and payroll (25%). All business income is apportioned and non-business income is allocated to a single jurisdiction, usually the state of commercial domicile.

All receipts of the corporate income tax are credited to the General Revenue Fund. For the fiscal year ended June 30, 1993, receipts from this source were \$846.6 million, an increase of 5.6% from fiscal year 1991-92.

Documentary Stamp Tax. Deeds and other documents relating to realty are taxed at 70 cents per \$100 of consideration, while corporate shares, bonds, certificates of indebtedness, promissory notes, wage assignments and retail charge accounts are taxed at 35 cents per \$100 of consideration. Documentary stamp tax collections totalled \$639 million during fiscal year 1992-93, posting a 27% increase from the previous fiscal year. The General Revenue Fund receives approximately 71% of documentary stamp tax collections.

Gross Receipts Tax. Effective July 1, 1992, the tax rate was increased from 2.25% to 2.5% of the gross receipts of electric, natural gas and telecommunications services. All gross receipts utilities collections are credited to the Public Education Capital Outlay and Debt Service Trust Fund. In fiscal year 1992-93, gross receipts utilities tax collections totalled \$447.9 million, an increase of 14.4% over the previous fiscal year.

Intangible Personal Property Tax. This tax is levied on two distinct bases: i) stocks, bonds, including bonds secured by Florida realty, notes, government leaseholds, interests in limited partnerships registered with the SEC, and other miscellaneous intangible personal property not secured by liens on Florida realty are taxed annually at a rate of 2 mills, ii) mortgages and other obligations secured by liens on Florida realty, taxed with a non-recurring 2 mill tax.

Of the tax proceeds, 33.5% is distributed to the County Revenue Sharing Trust Fund. The remainder is distributed to the General Revenue Fund.

Fiscal year 1992-93 total intangible personal property tax collections were \$783.4 million, a 33% increase over the prior year.

Severance Taxes. The severance tax includes the taxation of oil, gas and sulfur production and a tax on the severance of primarily phosphate rock and other solid minerals. Total collections from severance taxes totalled \$64.5 million during fiscal year 1992-93, down 4% from the previous fiscal year.

Lottery. The 1987 Legislature created the Department of the Lottery to operate the State Lottery and setting forth the allocation of the revenues. Of the revenues generated by the Lottery, 50% is to be returned to the public as prizes; at least 38% is to be deposited in the Educational Enhancement Trust Fund (for public education); and no more than 12% can be spent on the administrative cost of operating the lottery.

Fiscal year 1992-93 produced ticket sales of \$2.13 billion of which education received approximately \$810.4 million.

APPENDIX B

Description of Standard & Poor's Corporation ("S&P"), Moody's Investors Service, Inc. ("Moody's") and Fitch Investors Service, Inc. ("Fitch") ratings:

S&P

Municipal Bond Ratings

An S&P municipal bond rating is a current assessment of the

creditworthiness of an obligor with respect to a specific obligation.

The ratings are based on current information furnished by the issuer or obtained by S&P from other sources it considers reliable, and will include: (1) likelihood of default-capacity and willingness of the obligor as to the timely payment of interest and repayment of principal in accordance with the terms of the obligation; (2) nature and provisions of the obligation; and (3) protection afforded by, and relative position of, the obligation in the event of bankruptcy, reorganization or other arrangement under the laws of bankruptcy and other laws affecting creditors' rights.

AAA

Debt rated AAA has the highest rating assigned by S&P. Capacity to pay interest and repay principal is extremely strong.

AA

Debt rated AA has a very strong capacity to pay interest and repay principal and differs from the highest rated issues only in a small degree.

A

Principal and interest payments on bonds in this category are regarded as safe. This rating describes the third strongest capacity for payment of debt service. It differs from the two higher ratings because:

General Obligation Bonds -- There is some weakness in the local economic base, in debt burden, in the balance between revenues and expenditures, or in quality of management. Under certain adverse circumstances, any one such weakness might impair the ability of the issuer to meet debt obligations at some future date.

Revenue Bonds -- Debt service coverage is good, but not exceptional. Stability of the pledged revenues could show some variations because of increased competition or economic influences on revenues. Basic security provisions, while satisfactory, are less stringent. Management performance appears adequate.

BBB

Of the investment grade, this is the lowest.

General Obligation Bonds -- Under certain adverse conditions, several of the above factors could contribute to a lesser capacity for payment of debt service. The difference between "A" and "BBB" rating is that the latter shows more than one fundamental weakness, or one very substantial fundamental weakness, whereas the former shows only one deficiency among the factors considered.

Revenue Bonds -- Debt coverage is only fair. Stability of the pledged revenues could show substantial variations, with the revenue flow possibly being subject to erosion over time. Basic security provisions are no more than adequate. Management performance could be stronger.

BB, B, CCC, CC, C

Debt rated BB, B, CCC, CC and C is regarded as having predominantly speculative characteristics with respect to capacity to pay interest and repay principal. BB indicates the least degree of speculation and C the highest degree of speculation. While such debt will likely have some quality and protective characteristics, these are outweighed by large uncertainties or major risk exposures to adverse conditions.

BB

Debt rated BB has less near-term vulnerability to default than other speculative grade debt. However, it faces major ongoing uncertainties or exposure to adverse business, financial or economic conditions which could lead to inadequate capacity to meet timely interest and principal payment.

B

Debt rated B has a greater vulnerability to default but presently has the capacity to meet interest payments and principal repayments. Adverse business, financial or economic conditions would likely impair capacity or willingness to pay interest and repay principal.

CCC

Debt rated CCC has a current identifiable vulnerability to default,

and is dependent upon favorable business, financial and economic conditions to meet timely payments of principal. In the event of adverse business, financial or economic conditions, it is not likely to have the capacity to pay interest and repay principal.

CC

The rating CC is typically applied to debt subordinated to senior debt which is assigned an actual or implied CCC rating.

C

The rating C is typically applied to debt subordinated to senior debt which is assigned an actual or implied CCC- debt rating.

D

Bonds rated D are in default, and payment of interest and/or repayment of principal is in arrears.

Plus (+) or minus (-): The ratings from AA to CCC may be modified by the addition of a plus or minus sign to show relative standing within the major ratings categories.

Municipal Note Ratings

SP-1

The issuers of these municipal notes exhibit very strong or strong capacity to pay principal and interest. Those issues determined to possess overwhelming safety characteristics are given a plus sign (+) designation.

SP-2

The issuers of these municipal notes exhibit satisfactory capacity to pay principal and interest.

Commercial Paper Ratings

An S&P commercial paper rating is a current assessment of the likelihood of timely payment of debt having an original maturity of no more than 365 days.

A

Issues assigned this rating are regarded as having the greatest capacity for timely payment. Issues in this category are delineated with the numbers 1, 2 and 3 to indicate the relative degree of safety.

A-1

This designation indicates that the degree of safety regarding timely payment is either overwhelming or very strong. Those issues determined to possess overwhelming safety characteristics are denoted with a plus sign (+) designation.

A-2

Capacity for timely payment on issues with this designation is strong. However, the relative degree of safety is not as high as for issues designated A-1.

Moody's

Municipal Bond Ratings

Aaa

Bonds which are rated Aaa are judged to be of the best quality. They carry the smallest degree of investment risk and are generally referred to as "gilt edge." Interest payments are protected by a large or by an exceptionally stable margin and principal is secure. While the various protective elements are likely to change, such changes as can be visualized are most unlikely to impair the fundamentally strong position of such issues.

Aa

Bonds which are rated Aa are judged to be of high quality by all standards. Together with the Aaa group they comprise what generally are known as high-grade bonds. They are rated lower than the best bonds

because margins of protection may not be as large as in Aaa securities or fluctuation of protective elements may be of greater amplitude or there may be other elements present which make the long-term risks appear somewhat larger than in Aaa securities.

A

Bonds which are rated A possess many favorable investment attributes and are to be considered as upper-medium grade obligations. Factors giving security to principal and interest are considered adequate, but elements may be present which suggest a susceptibility to impairment some time in the future.

Baa

Bonds which are rated Baa are considered as medium grade obligations, i.e., they are neither highly protected nor poorly secured. Interest payments and principal security appear adequate for the present but certain protective elements may be lacking or may be characteristically unreliable over any great length of time. Such bonds lack outstanding investment characteristics and in fact have speculative characteristics as well.

Ba

Bonds which are rated Ba are judged to have speculative elements; their future cannot be considered as well assured. Often the protection of interest and principal payments may be very moderate, and therefore not well safeguarded during both good and bad times over the future. Uncertainty of position characterizes bonds in this class.

B

Bonds which are rated B generally lack characteristics of the desirable investment. Assurance of interest and principal payments or of maintenance of other terms of the contract over any long period of time may be small.

Caa

Bonds which are rated Caa are of poor standing. Such issues may be in default or there may be present elements of danger with respect to principal or interest.

Ca

Bonds which are rated Ca present obligations which are speculative in a high degree. Such issues are often in default or have other marked shortcomings.

C

Bonds which are rated C are the lowest rated class of bonds, and issues so rated can be regarded as having extremely poor prospects of ever attaining any real investment standing.

Moody's applies the numerical modifiers 1, 2 and 3 to show relative standing within the major rating categories, except in the Aaa category and in categories below B. The modifier 1 indicates a ranking for the security in the higher end of a rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of a rating category.

Municipal Note Ratings

Moody's ratings for state and municipal notes and other short-term loans are designated Moody's Investment Grade (MIG). Such ratings recognize the differences between short-term credit risk and long-term risk. Factors affecting the liquidity of the borrower and short-term cyclical elements are critical in short-term ratings, while other factors of major importance in bond risk, long-term secular trends for example, may be less important over the short run.

A short-term rating may also be assigned on an issue having a demand feature. Such ratings will be designated as VMIG or, if the demand feature is not rated, as NR. Short-term ratings on issues with demand features are differentiated by the use of the VMIG symbol to reflect such characteristics as payment upon periodic demand rather than fixed maturity dates and payment relying on external liquidity. Additionally, investors should be alert to the fact that the source of payment may be limited to the external liquidity with no or limited legal recourse to the issuer in the event the demand is not met.

Moody's short-term ratings are designated Moody's Investment Grade as MIG 1 or VMIG 1 through MIG 4 or VMIG 4. As the name implies, when Moody's assigns a MIG or VMIG rating, all categories define an investment grade situation.

MIG 1/VMIG 1

This designation denotes best quality. There is present strong protection by established cash flows, superior liquidity support or demonstrated broad-based access to the market for refinancing.

MIG 2/VMIG 2

This designation denotes high quality. Margins of protection are ample although not so large as in the preceding group.

Commercial Paper Ratings

The rating Prime-1 (P-1) is the highest commercial paper rating assigned by Moody's. Issuers of P-1 paper must have a superior capacity for repayment of short-term promissory obligations, and will normally be evidenced by leading market positions in well established industries, high rates of return on funds employed, conservative capitalization structures with moderate reliance on debt and ample asset protection, broad margins in earnings coverage of fixed financial charges and high internal cash generation, and well established access to a range of financial markets and assured sources of alternate liquidity.

Issuers (or related supporting institutions) rated Prime-2 (P-2) have a strong capacity for repayment of short-term promissory obligations. This will normally be evidenced by many of the characteristics cited above but to a lesser degree. Earnings trends and coverage ratios, while sound, will be more subject to variation. Capitalization characteristics, while still appropriate, may be more affected by external conditions. Ample alternate liquidity is maintained.

Fitch

Municipal Bond Ratings

The ratings represent Fitch's assessment of the issuer's ability to meet the obligations of a specific debt issue or class of debt. The ratings take into consideration special features of the issue, its relationship to other obligations of the issuer, the current financial condition and operative performance of the issuer and of any guarantor, as well as the political and economic environment that might affect the issuer's future financial strength and credit quality.

AAA

Bonds rated AAA are considered to be investment grade and of the highest credit quality. The obligor has an exceptionally strong ability to pay interest and repay principal, which is unlikely to be affected by reasonably foreseeable events.

AA

Bonds rated AA are considered to be investment grade and of very high credit quality. The obligor's ability to pay interest and repay principal is very strong, although not quite as strong as bonds rated AAA. Because bonds rated in the AAA and AA categories are not significantly vulnerable to foreseeable future developments, short-term debt of these issuers is generally rated F-1+.

A

Bonds rated A are considered to be investment grade and of high credit quality. The obligor's ability to pay interest and repay principal is considered to be strong, but may be more vulnerable to adverse changes in economic conditions and circumstances than bonds with higher ratings.

BBB

Bonds rated BBB are considered to be investment grade and of satisfactory credit quality. The obligor's ability to pay interest and repay principal is considered to be adequate. Adverse changes in economic conditions and circumstances, however, are more likely to have an adverse impact on these bonds and, therefore, impair timely payment. The likelihood that the ratings of these bonds will fall below investment grade is higher than for bonds with higher ratings.

BB

Bonds rated BB are considered speculative. The obligor's ability to pay interest and repay principal may be affected over time by adverse economic changes. However, business and financial alternatives can be identified which could assist the obligor in satisfying its debt service requirements.

B

Bonds rated B are considered highly speculative. While bonds in this class are currently meeting debt service requirements, the probability of continued timely payment of principal and interest reflects the obligor's limited margin of safety and the need for reasonable business and economic activity throughout the life of the issue.

CCC

Bonds rated CCC have certain identifiable characteristics, which, if not remedied, may lead to default. The ability to meet obligations requires an advantageous business and economic environment.

CC

Bonds rated CC are minimally protected. Default payment of interest and/or principal seems probable over time.

C

Bonds rated C are in imminent default in payment of interest or principal.

DDD, DD and D

Bonds rated DDD, DD and D are in actual or imminent default of interest and/or principal payments. Such bonds are extremely speculative and should be valued on the basis of their ultimate recovery value in liquidation or reorganization of the obligor. DDD represents the highest potential for recovery on these bonds and D represents the lowest potential for recovery.

Plus (+) and minus (-) signs are used with a rating symbol to indicate the relative position of a credit within the rating category. Plus and minus signs, however, are not used in the AAA category covering 12-36 months or the DDD, DD or D categories.

Short-Term Ratings

Fitch's short-term ratings apply to debt obligations that are payable on demand or have original maturities of up to three years, including commercial paper, certificates of deposit, medium-term notes, and municipal and investment notes.

Although the credit analysis is similar to Fitch's bond rating analysis, the short-term rating places greater emphasis than bond ratings on the existence of liquidity necessary to meet the issuer's obligations in a timely manner.

F-1+

Exceptionally Strong Credit Quality. Issues assigned this rating are regarded as having the strongest degree of assurance for timely payment.

F-1

Very Strong Credit Quality. Issues assigned this rating reflect an assurance of timely payment only slightly less in degree than issues rated F-1+.

F-2

Good Credit Quality. Issues carrying this rating have a satisfactory degree of assurance for timely payments, but the margin of safety is not as great as the F-1+ and F-1 categories.

<TABLE>
<CAPTION>
DREYFUS FLORIDA INTERMEDIATE MUNICIPAL BOND FUND
STATEMENT OF INVESTMENTS

DECEMBER 31, 1993

MUNICIPAL BONDS-96.3%
FLORIDA-88.4%
<S>

PRINCIPAL AMOUNT	VALUE
-----	-----
<C>	<C>

Alachua County Health Facilities Authority, Health Facilities Revenue, Refunding (Santa Fe Healthcare Facilities Project) 6.875%, 11/15/2002.....	\$ 4,540,000	\$ 4,920,543
Bay County, RRR, Refunding:		
6%, 7/1/2001 (Insured; MBIA).....	1,250,000	1,387,538
6.10%, 7/1/2002 (Insured; MBIA).....	2,095,000	2,348,453
6.20%, 7/1/2003 (Insured; MBIA).....	1,250,000	1,412,800
Boca Raton, Water and Sewer Revenue, Refunding 5.60%, 10/1/2004.....	2,000,000	2,144,160
Boynton Beach, Public Service Tax Revenue, Refunding 5.20%, 11/1/2005 (Insured; AMBAC)...	1,475,000	1,545,357
Brevard County, Refunding 5.45%, 3/1/2002 (Insured; MBIA).....	1,250,000	1,342,675
Brevard County Health Facilities Authority, Revenue:		
(Hospital-Holmes Regional Medical Center Project) 5.10%, 10/1/2000.....	2,000,000	2,028,320
(Refunding-Wuesthoff Memorial Hospital) 6.90%, 4/1/2002.....	2,500,000	2,816,925
Broward County:		
Gas Tax Revenue 6.50%, 9/1/2004.....	1,200,000	1,339,428
Water and Sewer Utility Revenue, Refunding 5%, 10/1/2006 (Insured; AMBAC).....	1,000,000	1,011,000
Broward County Health Facilities Authority, HR, Refunding (Holy Cross Hospital Inc.) 5.20%, 6/1/2003 (Insured; AMBAC).....	2,295,000	2,422,487
Broward County School Board, COP:		
6%, 7/1/2001 (Insured; AMBAC).....	1,000,000	1,104,620
6.10%, 7/1/2002 (Insured; AMBAC).....	2,000,000	2,229,920
Broward County School District, Refunding:		
5.70%, 2/15/2001.....	3,000,000	3,249,390
5.80%, 2/15/2002.....	2,000,000	2,182,220
5.30%, 2/15/2004.....	6,000,000	6,311,700
6%, 2/15/2004.....	3,000,000	3,301,710
Canaveral Port Authority, Revenue, Refunding:		
6.10%, 6/1/2001 (Insured; FGIC).....	2,000,000	2,233,160
Port Improvement 5.40%, 6/1/2002 (Insured; FGIC).....	2,000,000	2,145,140
Charlotte County, Utility Revenue:		
6.75%, 10/1/2004 (Insured; FGIC).....	2,390,000	2,815,324
Refunding 5.125%, 10/1/2004 (Insured; FGIC).....	1,500,000	1,569,960
Citrus County, Hospital Board Revenue, Refunding (Citrus Memorial Hospital) 6%, 8/15/2002 (Insured; FSA).....	1,000,000	1,109,170
Collier County School Board, COP, Refunding 5.50%, 2/15/2003 (Insured; FSA).....	3,000,000	3,187,320
Coral Springs, Refunding:		
5.20%, 10/1/2003.....	1,190,000	1,242,634
Water and Sewer Revenue 5.50%, 9/1/2003 (Insured; FGIC).....	1,425,000	1,539,071
Dade County:		
Aviation Revenue:		
6%, 10/1/2003 (Insured; MBIA).....	2,000,000	2,204,580
6.15%, 10/1/2004 (Insured; MBIA).....	2,000,000	2,215,780
6.75%, 10/1/2006.....	2,750,000	2,996,867
Refunding 5.30%, 10/1/2002.....	4,000,000	4,220,120

DREYFUS FLORIDA INTERMEDIATE MUNICIPAL BOND FUND
STATEMENT OF INVESTMENTS (CONTINUED)

	DECEMBER 31, 1993	
	PRINCIPAL AMOUNT	VALUE
	-----	-----
MUNICIPAL BONDS (CONTINUED)		
FLORIDA (CONTINUED)		
Dade County (continued):		
(Seaport) 5.90%, 10/1/2002 (Insured; AMBAC).....	\$ 2,470,000	\$ 2,732,783
School Board, COP		
(G. Holmes Braddock Senior High School) 5.125%, 8/1/2003 (Insured; MBIA).....	1,500,000	1,577,040
School District, Refunding:		
5.20%, 7/15/2004 (Insured; AMBAC).....	6,000,000	6,284,760
5.20%, 7/15/2005 (Insured; AMBAC).....	6,425,000	6,684,506
Public Facilities Revenue, Refunding (Jackson Memorial Hospital) 5.20%, 6/1/2004 (Insured; MBIA).....	2,750,000	2,864,400
Water and Sewer Systems Revenue, Refunding 4.70%, 10/1/2004 (Insured; FGIC).....	5,000,000	5,058,550
Dade County Health Facilities Authority, HR, Refunding: (North Shore Medical Center Project):		
5.80%, 8/15/2000 (Insured; AMBAC).....	1,650,000	1,799,144
5.90%, 8/15/2001 (Insured; AMBAC).....	1,725,000	1,897,948
6%, 8/15/2002 (Insured; AMBAC).....	1,760,000	1,952,139
Deerfield Beach, Water and Sewer Revenue, Refunding and Improvement 6.125%, 10/1/2003 (Insured; FGIC).....	1,180,000	1,329,895
Delray Beach, Water and Sewer Revenue, Refunding 5.10%, 10/1/2004 (Insured; AMBAC).....	1,500,000	1,544,940
Dunedin, HR, Refunding (Mease Health Care) 5%, 11/15/2004 (Insured; MBIA).....	3,550,000	3,679,398
Duval County School District:		
7.10%, 8/1/1999.....	1,000,000	1,108,690
Refunding 5.90%, 8/1/2002 (Insured; AMBAC).....	4,500,000	4,961,070
Escambia County, Sales Tax Revenue, Refunding 5.30%, 1/1/2004 (Insured; FGIC).....	2,050,000	2,167,362
First Florida Governmental Financing Commission, Revenue:		
6.30%, 7/1/2002 (Insured; MBIA).....	1,000,000	1,135,030
Refunding 6%, 7/1/2003 (Insured; MBIA).....	3,000,000	3,344,760
Florida, Pollution Control 5.90%, 7/1/2002.....	2,500,000	2,768,175
Florida Board of Education, Capital Outlay:		
6.919%, 6/1/2004 (a,b).....	7,000,000	7,455,000
6.80%, 6/1/2006.....	2,900,000	3,218,449
Public Education:		
5.30%, 6/1/2003.....	3,000,000	3,189,510

Refunding 5.70%, 6/1/2003.....	3,665,000	4,000,714
Florida Division of Bond Finance Department, General Services Revenues: (Department of Natural Resources-Preservation 2000):		
5.80%, 7/1/2001 (Insured; MBIA).....	2,000,000	2,195,960
5.90%, 7/1/2002 (Insured; MBIA).....	3,850,000	4,262,990
6.40%, 7/1/2003 (Insured; AMBAC).....	3,450,000	3,912,783
6.10%, 7/1/2004 (Insured; MBIA).....	2,420,000	2,684,917
(Refunding-Department of Natural Resources-Save Our Coast)		
6.40%, 7/1/2005 (Insured; MBIA).....	1,000,000	1,112,790
Florida Local Government Finance Authority, Revenue		
7.75%, 3/1/2000 (LOC; Sumitomo Bank) (c).....	2,000,000	2,081,020

DREYFUS FLORIDA INTERMEDIATE MUNICIPAL BOND FUND
STATEMENT OF INVESTMENTS (CONTINUED)

DECEMBER 31, 1993

MUNICIPAL BONDS (CONTINUED)

PRINCIPAL AMOUNT VALUE

FLORIDA (CONTINUED)

Florida Municipal Power Agency, Revenue: (All-Requirements Power Supply Project):		
5.75%, 10/1/2000 (Insured; AMBAC).....	\$ 1,000,000	\$ 1,093,890
5.80%, 10/1/2001 (Insured; AMBAC).....	1,000,000	1,100,650
5.90%, 10/1/2002 (Insured; AMBAC).....	1,000,000	1,109,790
6%, 10/1/2003 (Insured; AMBAC).....	1,000,000	1,124,060
6.10%, 10/1/2004 (Insured; AMBAC).....	1,000,000	1,131,250
(Refunding-Saint Lucie Project) 5.40%, 10/1/2005 (Insured; FGIC).....	8,565,000	9,080,613
Florida Sunshine Skyway, Revenue, Refunding:		
6.10%, 7/1/2001.....	1,650,000	1,813,169
6.20%, 7/1/2002.....	1,315,000	1,454,324
Gainesville, Utilities Systems Revenue 6.20%, 10/1/2003.....	1,650,000	1,855,408
Greater Orlando Aviation Authority, Orlando Airport Facilities Revenue:		
6.25%, 10/1/2006 (Insured; FGIC).....	1,600,000	1,762,144
Refunding:		
6.10%, 10/1/2002 (Insured; FGIC).....	2,000,000	2,247,640
5.75%, 10/1/2003 (Insured; AMBAC).....	5,000,000	5,496,700
Hernando County School District, Refunding:		
6.10%, 8/1/2003 (Insured; MBIA).....	2,000,000	2,246,780
5.40%, 9/1/2003 (Insured; MBIA).....	1,290,000	1,383,228
5.50%, 9/1/2004 (Insured; MBIA).....	1,580,000	1,700,080
Hillsborough County:		
Capital Improvement Revenue (County Center Project) 6.125%, 7/1/2003.....	1,150,000	1,266,070
(Refunding-Environmentally Sensitive Lands Acquisition and Protection):		
5.875%, 7/1/2001.....	1,295,000	1,398,108
6%, 7/1/2002.....	2,080,000	2,264,704
Utility Revenue, Refunding Zero Coupon, 8/1/2006 (Insured; MBIA).....	2,500,000	1,338,000
Hillsborough County Aviation Authority, Revenue, (Tampa International Airport):		
4.90%, 10/1/2005 (Insured; FGIC).....	1,635,000	1,645,023
Refunding:		
5.30%, 10/1/2001 (Insured; AMBAC).....	3,000,000	3,187,590
5.45%, 10/1/2002 (Insured; AMBAC).....	3,295,000	3,528,945
5%, 10/1/2003 (Insured; FGIC).....	2,345,000	2,425,316
6.70%, 10/1/2004 (Insured; FGIC).....	3,000,000	3,356,970
Hillsborough County Hospital Authority, HR, Refunding		
(Tampa General Hospital Project) 6.125%, 10/1/2002 (Insured; FSA).....	3,350,000	3,744,998
Hollywood, Water and Sewer Revenue 6%, 10/1/1999 (Insured; FGIC).....	1,000,000	1,096,360
Homestead, Special Insurance Assessment Revenue (Hurricane Andrew Covered Claim):		
5.125%, 3/1/2002 (Insured; MBIA).....	2,300,000	2,395,588
5.25%, 3/1/2003 (Insured; MBIA).....	3,500,000	3,660,370
Indian Trace Community Development District, Water and Sewer Revenue 8%, 4/1/2001.....	3,035,000	3,253,732
Jacksonville:		
HR (University Medical Center Inc. Project) 5.90%, 2/1/2001.....	550,000	597,053
Excise Taxes Revenue, Refunding 4.90%, 10/1/2003 (Insured; FGIC).....	2,500,000	2,588,000
Guaranteed Entitlement Revenue, Refunding 5.50%, 10/1/2002 (Insured; AMBAC).....	1,400,000	1,514,968

DREYFUS FLORIDA INTERMEDIATE MUNICIPAL BOND FUND
STATEMENT OF INVESTMENTS (CONTINUED)

DECEMBER 31, 1993

MUNICIPAL BONDS (CONTINUED)

PRINCIPAL AMOUNT VALUE

FLORIDA (CONTINUED)

Jacksonville Beach, Utilities Revenue, Refunding 5.125%, 10/1/2004 (Insured; MBIA).....	\$ 1,500,000	\$ 1,569,960
Jacksonville Electric Authority, Revenue:		
Electric Systems, Refunding 5.40%, 10/1/2004.....	2,250,000	2,384,528
(Saint John's River):		
6.40%, 10/1/2000.....	5,000,000	5,630,850
Refunding:		
5%, 10/1/2004.....	12,275,000	12,661,540
5%, 10/1/2005.....	4,925,000	5,039,112
Jacksonville Health Facilities Authority, HR:		
(Memorial Medical Center Project) 6.20%, 5/1/2000 (Insured; MBIA).....	1,000,000	1,108,370

(Refunding-Daughters of Charity) 4.75%, 11/15/2003.....	5,000,000	4,999,700
Kissimmee, Water and Sewer Revenue, Refunding:		
5.40%, 10/1/2002 (Insured; AMBAC).....	1,035,000	1,103,993
5.50%, 10/1/2003 (Insured; AMBAC).....	1,000,000	1,070,800
Kissimmee Utility Authority, Electric System Revenue, Refunding and Improvement		
5%, 10/1/2003 (Insured; FGIC).....	2,000,000	2,084,500
Lake County Resource Recovery, IDR		
(Refunding-NRG/Recovery Group) 5.40%, 10/1/2003.....	8,440,000	8,549,551
Lakeland, Electric and Water Revenue:		
6.70%, 10/1/1999.....	1,000,000	1,130,260
Refunding:		
5.375%, 10/1/2002.....	2,000,000	2,135,700
5.625%, 10/1/2005.....	5,455,000	5,880,490
Lee County, Capital Improvement Revenue, Refunding 5.10%, 10/1/2003 (Insured; MBIA).....	2,500,000	2,625,175
Lee County Hospital Board of Directors, HR, Refunding		
(Lee Memorial Hospital Project) 5.80%, 4/1/2002 (Insured; MBIA).....	2,730,000	2,996,776
Lee County School Board, COP 5.15%, 8/1/2006 (Insured; FSA).....	2,750,000	2,822,325
Marion County School District, Refunding 5.25%, 8/1/2002 (Insured; FSA).....	1,500,000	1,594,665
Melbourne, Water and Sewer Revenue, Refunding 6%, 10/1/2001 (Insured; FGIC).....	745,000	829,215
Miami, Refunding 5.70%, 12/1/2004 (Insured; FGIC).....	6,025,000	6,588,458
Miami Beach Health Facilities Authority, HR, Refunding		
(Mount Sinai Medical Center Project):		
5.60%, 11/15/2002.....	1,100,000	1,198,131
5.70%, 11/15/2003.....	1,500,000	1,644,615
Nassau County, PCR, Refunding, (ITT Rayonier Inc. Project):		
5.70%, 6/1/2001.....	2,080,000	2,215,429
5.90%, 7/1/2005.....	1,075,000	1,112,120
North Broward Hospital District, HR, Refunding:		
6.10%, 1/1/2002 (Insured; MBIA).....	2,050,000	2,285,770
6.125%, 1/1/2003 (Insured; MBIA).....	2,000,000	2,238,340
Ocean Highway and Port Authority, Revenue		
6.25%, 12/1/2002 (LOC; ABN Amro Bank) (c).....	3,500,000	3,749,970
Orange County, Revenue:		
Solid Waste Facility 6%, 10/1/2002 (Insured; FGIC).....	1,000,000	1,116,620

DREYFUS FLORIDA INTERMEDIATE MUNICIPAL BOND FUND
STATEMENT OF INVESTMENTS (CONTINUED)

	DECEMBER 31, 1993	
	PRINCIPAL AMOUNT	VALUE
	-----	-----
MUNICIPAL BONDS (CONTINUED)		
FLORIDA (CONTINUED)		
Orange County, Revenue (continued):		
Tourist Development Tax:		
5.90%, 10/1/2000 (Insured; AMBAC).....	\$ 1,900,000	\$ 2,095,016
6.15%, 10/1/2002 (Insured; AMBAC).....	2,455,000	2,767,816
Water and Wastewater, Refunding 5.80%, 10/1/2002 (Insured; AMBAC).....	2,080,000	2,278,328
Orange County Health Facilities Authority, Revenue:		
(Hospital-Adventist/Sunbelt Project) 6.875%, 11/15/2004 (Insured; AMBAC).....	4,000,000	4,544,520
(Hospital-Orlando Regional Healthcare-A) 5.50%, 11/1/2003 (Insured; AMBAC).....	2,000,000	2,145,840
Orlando, Capital Improvement Special Revenue 5.50%, 10/1/2003.....	2,000,000	2,141,600
Orlando & Orange County Expressway Authority, Florida Expressway Revenue, Refunding		
5%, 7/1/2003 (Insured; AMBAC).....	5,000,000	5,207,150
Orlando Utilities Commission, Water and Electric Revenue:		
5%, 10/1/2004.....	3,055,000	3,165,377
Refunding 5.60%, 10/1/2003.....	10,000,000	10,876,100
Osceola County:		
Gas Tax Revenue, Refunding and Improvement:		
5.50%, 4/1/2003 (Insured; FGIC).....	1,365,000	1,470,446
5.65%, 4/1/2004 (Insured; FGIC).....	1,445,000	1,567,767
Transportation Revenue		
(Osceola Parkway Project) 5.375%, 4/1/2002 (Insured; MBIA).....	1,400,000	1,497,468
Osceola County Industrial Development Authority, Revenue		
(Community Provider Pooled Loan Program) 8%, 7/1/2004.....	4,284,000	4,391,100
Palm Bay, Utility Revenue (Palm Bay Utility Corp. Project)		
5.70%, 10/1/2003 (Insured; MBIA).....	1,105,000	1,210,461
Palm Beach County:		
Criminal Justice Facilities Revenue:		
7.10%, 6/1/2004 (Insured; FGIC).....	1,500,000	1,764,420
Refunding 5.10%, 6/1/2003 (Insured; FGIC).....	5,000,000	5,243,650
Solid Waste IDR, (Okeelanta Power LP Project) 6.375%, 2/15/2007.....	2,700,000	2,713,932
Palm Beach County School District, Refunding:		
5.50%, 8/1/2000 (Insured; AMBAC).....	1,200,000	1,293,156
5.60%, 8/1/2001 (Insured; AMBAC).....	1,000,000	1,086,690
6%, 8/1/2006 (Insured; AMBAC).....	1,000,000	1,079,210
Palm Beach County Solid Waste Authority, Revenue, Refunding and Improvement		
5.75%, 12/1/2003 (Insured; MBIA).....	3,865,000	4,254,360
Pasco County, Refunding:		
Optional Gas Tax Revenue:		
5.40%, 8/1/2001 (Insured; FGIC).....	2,830,000	3,038,967
5.50%, 8/1/2002 (Insured; FGIC).....	1,980,000	2,140,083
Water and Sewer Revenue:		
5.50%, 10/1/2002 (Insured; FGIC).....	2,500,000	2,705,300

5.40%, 10/1/2003 (Insured; FGIC).....	1,500,000	1,596,930
Pinellas County:		
Capital Improvement Revenue 5.50%, 10/1/1999.....	7,610,000	8,130,144
Health Facilities Authority, HR (Morton Plant Health System Project)		
5.10%, 11/15/2004 (Insured; MBIA).....	1,600,000	1,656,656
RRR, Refunding 6.40%, 10/1/1998 (Insured; MBIA).....	4,465,000	4,966,866

DREYFUS FLORIDA INTERMEDIATE MUNICIPAL BOND FUND
STATEMENT OF INVESTMENTS (CONTINUED)

DECEMBER 31, 1993

MUNICIPAL BONDS (CONTINUED)	PRINCIPAL AMOUNT	VALUE
-----	-----	-----
FLORIDA (CONTINUED)		
Polk County, Capital Improvement Revenue, Refunding 6%, 12/1/2002 (Insured; MBIA).....	\$ 1,900,000	\$ 2,110,273
Port Everglades Authority, Port Improvement Revenue, Refunding		
Zero Coupon, 9/1/2001 (Insured; FGIC).....	10,225,000	7,236,642
Punta Gorda, Utilities Revenue, Refunding 5.50%, 1/1/2002 (Insured; AMBAC).....	1,315,000	1,406,156
Reedy Creek Improvement District 5.80%, 6/1/1999 (Insured; MBIA).....	1,500,000	1,627,965
Saint John's County Industrial Development Authority, HR (Flagler Hospital Project)		
5.80%, 8/1/2003.....	1,000,000	1,047,080
Saint Lucie County School District, Refunding		
5.90%, 7/1/2002 (Insured; AMBAC).....	1,780,000	1,970,941
Saint Petersburg, Public Improvement Revenue, Refunding 6%, 2/1/2002 (Insured; MBIA).....	1,500,000	1,663,845
Sarasota County, Refunding:		
Revenue 4.95%, 10/1/2003 (Insured; MBIA).....	1,400,000	1,454,768
6.25%, 10/1/2004 (Insured; FGIC).....	1,505,000	1,683,734
Utilities System Revenue:		
5.50%, 10/1/2003 (Insured; FGIC).....	2,130,000	2,301,657
5.60%, 10/1/2004 (Insured; FGIC).....	2,345,000	2,541,910
Sarasota County School Board Financing Corp., Lease Revenue		
7.20%, 7/1/2002 (Insured; MBIA).....	2,000,000	2,328,640
Seminole County School District, Refunding 6%, 8/1/2003 (Insured; MBIA).....	2,500,000	2,789,175
South Broward Hospital District, HR, Refunding 5.05%, 5/1/2004 (Insured; AMBAC).....	3,075,000	3,167,127
Sunrise:		
Public Facilities Revenue:		
6.50%, 10/1/2007 (Insured; MBIA).....	1,000,000	1,124,980
Refunding 6%, 10/1/2001 (Insured; MBIA).....	1,000,000	1,113,040
Utility System Revenue, Refunding:		
5.10%, 10/1/2004 (Insured; AMBAC).....	1,335,000	1,394,474
5.20%, 10/1/2005 (Insured; AMBAC).....	1,395,000	1,461,151
Tallahassee, Refunding:		
Health Facilities Revenue:		
(Tallahassee Memorial Regional Medical Center-A)		
5.50%, 12/1/2002 (Insured; MBIA).....	1,000,000	1,075,780
(Tallahassee Memorial Regional Medical Center-B)		
5.50%, 12/1/2002 (Insured; MBIA).....	1,010,000	1,086,538
Municipal Electric Revenue:		
5.50%, 10/1/2001.....	1,475,000	1,576,451
5.60%, 10/1/2002 (Insured; FGIC).....	1,550,000	1,679,053
5.75%, 10/1/2003.....	1,000,000	1,085,350
Tampa, Revenue:		
(Allegany Health System-Saint Joseph) 4.75%, 12/1/2004 (Insured; MBIA).....	3,460,000	3,483,286
Packaging Facilities, Refunding (Utilities Tax)		
5.20%, 10/1/2003 (Insured; AMBAC).....	2,005,000	2,119,485
Solid Waste System, Refunding:		
5%, 10/1/2004 (Insured; FGIC).....	3,650,000	3,781,875
5%, 10/1/2005 (Insured; FGIC).....	1,245,000	1,282,873
Water and Sewer 7.86%, 10/1/2006 (a).....	4,000,000	4,802,840

DREYFUS FLORIDA INTERMEDIATE MUNICIPAL BOND FUND
STATEMENT OF INVESTMENTS (CONTINUED)

DECEMBER 31, 1993

MUNICIPAL BONDS (CONTINUED)	PRINCIPAL AMOUNT	VALUE
-----	-----	-----
FLORIDA (CONTINUED)		
Volusia County, Sales Tax Revenue, Refunding and Improvement		
6.40%, 10/1/2007 (Insured; MBIA).....	\$ 2,000,000	\$ 2,214,700
Volusia County Educational Facility Authority, Revenue		
(Embry-Riddle Aeronautical University):		
5.875%, 10/15/2002 (Insured; College Construction Loan Insurance Association)	1,145,000	1,262,488
6.10%, 10/15/2003 (Insured; College Construction Loan Insurance Association)	1,000,000	1,118,560
Volusia County School District, Refunding 6.375%, 8/1/2005 (Insured; FGIC).....	1,000,000	1,119,140
U.S. RELATED-7.9%		
Commonwealth of Puerto Rico:		
Public Improvement 6.60%, 7/1/2004.....	2,500,000	2,928,675
Refunding 5.20%, 7/1/2003.....	5,000,000	5,159,750
Puerto Rico Highway and Transportation Authority, Highway Revenue, Refunding:		
5.875%, 7/1/1999.....	4,000,000	4,291,400
5.10%, 7/1/2003.....	5,000,000	5,125,800
Puerto Rico Electric Power Authority, Electric Revenue, Refunding		
5.50%, 7/1/2002 (Insured; FSA).....	6,000,000	6,499,200
Puerto Rico Municipal Finance Agency 5.60%, 7/1/2002.....	3,100,000	3,294,711

Puerto Rico Public Buildings Authority:		
(Refunding-Public Education and Health Facilities)		
6.50%, 7/1/2003.....	1,000,000	1,152,740
Revenue:		
6.50%, 7/1/2003.....	1,395,000	1,620,892
Refunding 6.10%, 7/1/2000.....	2,500,000	2,719,250
Virgin Islands Public Finance Authority, Revenue, Refunding:		
6.25%, 10/1/1996.....	3,400,000	3,624,910
6.50%, 10/1/1997.....	2,955,000	3,227,510
6.60%, 10/1/1998.....	1,430,000	1,560,402
Virgin Islands Water and Power Authority, Water Systems Revenue		
7.20%, 1/1/2002.....	1,000,000	1,131,020

TOTAL MUNICIPAL BONDS (cost \$480,856,724).....		\$515,289,169
		=====

SHORT-TERM MUNICIPAL INVESTMENTS-3.7%

FLORIDA:		
Florida Housing Finance Agency, Multi-Family Housing Revenue, VRDN:		
(Sun Pointe Cove Apartments) 3.25% (LOC; Citibank) (c,d).....	\$ 3,100,000	\$ 3,100,000
(Montgomery Meadows) 3.25% (LOC; Citibank) (c,d).....	3,000,000	3,000,000
Jacksonville Health Facilities Authority, Health Facilities Revenue, VRDN		
(HSI Support System) 4.30% (LOC; Sun Bank) (Insured; MBIA) (c,d).....	3,000,000	3,000,000
Martin County, IDR, VRDN (Indiantown Cogeneration Project)		
3.25% (LOC; Credit Suisse) (c,d).....	1,000,000	1,000,000
Pinellas County Health Facilities Authority, Revenue, Refunding, VRDN		
(Pooled Hospital Loan Program) 4% (LOC; Chemical Bank) (c,d).....	9,900,000	9,900,000

TOTAL SHORT-TERM MUNICIPAL INVESTMENTS (cost \$20,000,000).....		\$ 20,000,000
		=====
TOTAL INVESTMENTS-100.0%		
(cost \$500,856,724).....		\$535,289,169
		=====

DREYFUS FLORIDA INTERMEDIATE MUNICIPAL BOND FUND
STATEMENT OF INVESTMENTS (CONTINUED) DECEMBER 31, 1993
SUMMARY OF ABBREVIATIONS

AMBAC	American Municipal Bond Assurance Corporation	LOC	Letter of Credit
COP	Certificate of Participation	MBIA	Municipal Bond Insurance Association
FGIC	Financial Guaranty Insurance Corporation	PCR	Pollution Control Revenue
FSA	Financial Security Assurance	RRR	Resources Recovery Revenue
HR	Hospital Revenue	VRDN	Variable Rate Demand Note
IDR	Industrial Development Revenue		

SUMMARY OF COMBINED RATINGS (UNAUDITED)

FITCH (E)	OR	MOODY'S	OR	STANDARD & POOR'S	PERCENTAGE OF VALUE
-----		-----		-----	-----
AAA		Aaa		AAA	58.6%
AA		Aa		AA	22.7
A		A		A	7.9
BBB		Baa		BBB	3.2
F1		MIG1		SP1	2.6
F1		P1		A1	1.1
Not Rated		Not Rated		Not Rated	3.9

					100.0%
					=====

NOTES TO STATEMENT OF INVESTMENTS:

- (a) Inverse floater security - the interest rate is subject to change periodically.
- (b) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At December 31, 1993, this security amounted to \$7,455,000 or 1.4% of net assets.
- (c) Secured by letters of credit.
- (d) Securities payable on demand. The interest rate, which is subject to change, is based upon bank prime rates or an index of market interest rates.
- (e) Fitch currently provides creditworthiness information for a limited amount of investments.

See notes to financial statements.

</TABLE>
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<CAPTION>

DREYFUS FLORIDA INTERMEDIATE MUNICIPAL BOND FUND
STATEMENT OF ASSETS AND LIABILITIES

DECEMBER 31, 1993

ASSETS:

<S>
Investments in securities, at value

<C>

<C>

(cost \$500,856,724)-see statement.....		\$535,289,169
Cash.....		1,085,920
Interest receivable.....		8,283,358
Prepaid expenses.....		49,623
Due from The Dreyfus Corporation.....		178,398

		544,886,468
LIABILITIES:		
Payable for investment securities purchased.....	\$ 6,161,163	
Payable for shares of Beneficial Interest redeemed.....	28,132	
Accrued expenses.....	201,753	6,391,048

NET ASSETS.....		\$538,495,420
		=====
REPRESENTED BY:		
Paid-in capital.....		\$503,827,395
Accumulated undistributed net realized gain on investments.....		235,580
Accumulated gross unrealized appreciation on investments.....		34,432,445

NET ASSETS at value applicable to 38,870,974 shares outstanding (unlimited number of \$.001 par value shares of Beneficial Interest authorized).....		\$538,495,420
		=====
NET ASSET VALUE, offering and redemption price per share (\$538,495,420 / 38,870,974 shares).....		\$13.85
		=====

STATEMENT OF OPERATIONS		YEAR ENDED DECEMBER 31, 1993
INVESTMENT INCOME:		
INTEREST INCOME.....		\$ 22,910,976
EXPENSES:		
Management fee-Note 2(a).....	\$ 2,546,400	
Shareholder servicing costs-Note 2(b).....	735,380	
Professional fees.....	62,557	
Prospectus and shareholders' reports.....	61,853	
Registration fees.....	56,794	
Custodian fees.....	45,986	
Trustees' fees and expenses-Note 2(c).....	13,932	
Miscellaneous.....	51,426	

	3,574,328	
Less-expense reimbursement from Manager due to undertaking-Note 2(a).....	2,726,798	

TOTAL EXPENSES.....		847,530

INVESTMENT INCOME-NET.....		22,063,446
REALIZED AND UNREALIZED GAIN ON INVESTMENTS:		
Net realized gain on investments.....	\$ 618,669	
Net unrealized appreciation on investments.....	27,359,058	

NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS.....		27,977,727

NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS.....		\$ 50,041,173
		=====

See notes to financial statements.

</TABLE>

<TABLE>

<CAPTION>

DREYFUS FLORIDA INTERMEDIATE MUNICIPAL BOND FUND
STATEMENT OF CHANGES IN NET ASSETS

	YEAR ENDED DECEMBER 31,	
	1992*	1993
	-----	-----
OPERATIONS:		
<S>	<C>	<C>
Investment income-net.....	\$ 8,265,533	\$ 22,063,446
Net realized gain on investments.....	16,150	618,669
Net unrealized appreciation on investments for the year.....	7,073,387	27,359,058
	-----	-----
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS.....	15,355,070	50,041,173
	-----	-----
DIVIDENDS TO SHAREHOLDERS FROM:		
Investment income-net.....	(8,265,533)	(22,063,446)
Net realized gain on investments.....	(14,157)	(385,082)
	-----	-----
TOTAL DIVIDENDS.....	(8,279,690)	(22,448,528)
	-----	-----
BENEFICIAL INTEREST TRANSACTIONS:		
Net proceeds from shares sold.....	368,886,012	359,269,086

Dividends reinvested.....	5,936,181	16,093,950
Cost of shares redeemed.....	(49,415,778)	(197,042,056)
	-----	-----
INCREASE IN NET ASSETS FROM BENEFICIAL INTEREST TRANSACTIONS.....	325,406,415	178,320,980
	-----	-----
TOTAL INCREASE IN NET ASSETS.....	332,481,795	205,913,625
NET ASSETS:		
Beginning of year.....	100,000	332,581,795
	-----	-----
End of year.....	\$332,581,795	\$538,495,420
	=====	=====
	SHARES	SHARES
	-----	-----
CAPITAL SHARE TRANSACTIONS:		
Shares sold.....	29,102,431	26,644,952
Shares issued for dividends reinvested.....	465,222	1,190,189
Shares redeemed.....	(3,878,187)	(14,661,633)
	-----	-----
NET INCREASE IN SHARES OUTSTANDING.....	25,689,466	13,173,508
	=====	=====

* From January 21, 1992 (commencement of operations) to December 31, 1992.

See notes to financial statements.

</TABLE>

DREYFUS FLORIDA INTERMEDIATE MUNICIPAL BOND FUND

FINANCIAL HIGHLIGHTS

Reference is made to page 2 of the Prospectus dated April 11, 1994.

See notes to financial statements.

DREYFUS FLORIDA INTERMEDIATE MUNICIPAL BOND FUND

NOTES TO FINANCIAL STATEMENTS

NOTE 1-SIGNIFICANT ACCOUNTING POLICIES:

The Fund is registered under the Investment Company Act of 1940 ("Act") as a non-diversified open-end management investment company. Dreyfus Service Corporation ("Distributor") acts as the exclusive distributor of the Fund's shares, which are sold to the public without a sales charge. The Distributor is a wholly-owned subsidiary of The Dreyfus Corporation ("Manager").

(A) PORTFOLIO VALUATION: The Fund's investments are valued each business day by an independent pricing service ("Service") approved by the Board of Trustees. Investments for which quoted bid prices in the judgment of the Service are readily available and are representative of the bid side of the market are valued at the mean between the quoted bid prices (as obtained by the Service from dealers in such securities) and asked prices (as calculated by the Service based upon its evaluation of the market for such securities). Other investments (which constitute a majority of the portfolio securities) are carried at fair value as determined by the Service, based on methods which include consideration of: yields or prices of municipal securities of comparable quality, coupon, maturity and type; indications as to values from dealers; and general market conditions.

(B) SECURITIES TRANSACTIONS AND INVESTMENT INCOME: Securities transactions are recorded on a trade date basis. Realized gain and loss from securities transactions are recorded on the identified cost basis. Interest income, adjusted for amortization of premiums and, when appropriate, discounts on investments, is earned from settlement date and recognized on the accrual basis. Securities purchased or sold on a when-issued or delayed-delivery basis may be settled a month or more after the trade date.

The Fund follows an investment policy of investing primarily in municipal obligations of one state. Economic changes affecting the state and certain of its public bodies and municipalities may affect the ability of issuers within the state to pay interest on, or repay principal of, municipal obligations held by the Fund.

(C) DIVIDENDS TO SHAREHOLDERS: It is the policy of the Fund to declare dividends daily from investment income-net. Such dividends are paid monthly. Dividends from net realized capital gain are normally declared and paid annually, but the Fund may make distributions on a more frequent basis to comply with the distribution requirements of the Internal Revenue Code. To the extent that net realized capital gain can be offset by capital loss carryovers, if any, it is the policy of the Fund not to distribute such gain.

(D) FEDERAL INCOME TAXES: It is the policy of the Fund to continue to qualify as a regulated investment company, which can distribute tax exempt dividends, by complying with the provisions available to certain investment companies, as defined in applicable sections of the Internal Revenue Code, and to make distributions of income and net realized capital gain sufficient to relieve it from all, or substantially all, Federal income taxes.

NOTE 2-MANAGEMENT FEE AND OTHER TRANSACTIONS WITH AFFILIATES:

(A) Pursuant to a management agreement ("Agreement") with the Manager, the management fee is computed at the annual rate of .60 of 1% of the average daily value of the Fund's net assets and is payable monthly. The Agreement provides for an expense reimbursement from the Manager should the Fund's aggregate expenses, exclusive of taxes, brokerage, interest on borrowings and extraordinary expenses, exceed the expense limitation of any state having jurisdiction over the Fund for any full year. However, the Manager had undertaken, from January 1, 1993 through January 5, 1993, to reimburse all fees and expenses of the Fund and thereafter, had undertaken through September 2, 1993 to waive receipt of the management fee payable to it by the Fund. The Manager has currently undertaken through February 28, 1994 or until such time as the net assets of the Fund exceed \$550 million, regardless of whether they remain at that level, to waive receipt of the management fee payable to it by the Fund in excess of

DREYFUS FLORIDA INTERMEDIATE MUNICIPAL BOND FUND

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

an annual rate of .20 of 1% of the Fund's average daily net assets. The expense reimbursement, pursuant to the undertaking, amounted to \$2,726,798 for the year ended December 31, 1993.

(B) Pursuant to the Fund's Shareholder Services Plan, the Fund reimburses the Distributor an amount not to exceed an annual rate of .25 of 1% of the value of the Fund's average daily net assets for servicing shareholder accounts. The services provided may include personal services relating to shareholder accounts, such as answering shareholder inquiries regarding the Fund and providing reports and other information, and services related to the maintenance of shareholder accounts. During the year ended December 31, 1993, the Fund was charged an aggregate of \$456,111 pursuant to the Shareholder Services Plan.

(C) Certain officers and trustees of the Fund are "affiliated persons," as defined in the Act, of the Manager and/or the Distributor. Each trustee who is not an "affiliated person" receives an annual fee of \$1,000 and an attendance fee of \$250 per meeting.

(D) On December 5, 1993, the Manager entered into an Agreement and Plan of Merger providing for the merger of the Manager with a subsidiary of Mellon Bank Corporation ("Mellon").

Following the merger, it is planned that the Manager will be a direct subsidiary of Mellon Bank, N.A. Closing of this merger is subject to a number of contingencies, including the receipt of certain regulatory approvals and the approvals of the stockholders of the Manager and of Mellon. The merger is expected to occur in mid-1994, but could occur significantly later.

Because the merger will constitute an "assignment" of the Fund's Management Agreement with the Manager under the Investment Company Act of 1940, and thus a termination of such Agreement, the Manager will seek prior approval from the Fund's Board and shareholders.

NOTE 3-SECURITIES TRANSACTIONS:

Purchases and sales of securities amounted to \$273,258,010 and \$89,384,754, respectively, for the year ended December 31, 1993, and consisted entirely of municipal bonds and short-term municipal investments.

At December 31, 1993, the cost of investments for Federal income tax purposes was substantially the same as the cost for financial reporting purposes (see the Statement of Investments).

DREYFUS FLORIDA INTERMEDIATE MUNICIPAL BOND FUND

REPORT OF ERNST & YOUNG, INDEPENDENT AUDITORS

SHAREHOLDERS AND BOARD OF TRUSTEES

DREYFUS FLORIDA INTERMEDIATE MUNICIPAL BOND FUND

We have audited the accompanying statement of assets and liabilities of Dreyfus Florida Intermediate Municipal Bond Fund, including the statement of investments, as of December 31, 1993, and the related statement of operations for the year then ended, the statement of changes in net assets for each of the two years in the period then ended, and financial highlights for each of the years indicated therein. These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 1993 by correspondence with the custodian and brokers. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial

position of Dreyfus Florida Intermediate Municipal Bond Fund at December 31, 1993, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the indicated years, in conformity with generally accepted accounting principles.

(Ernst & Young Signature Logo)

New York, New York
February 3, 1994

DREYFUS FLORIDA INTERMEDIATE MUNICIPAL BOND FUND
IMPORTANT TAX INFORMATION (UNAUDITED)

In accordance with Federal tax law, the Fund hereby makes the following designations regarding its fiscal year ended December 31, 1993:

- - All the dividends paid from investment income-net are "exempt-interest dividends" (not subject to regular Federal income tax and, for individuals who are Florida residents, not subject to taxation by Florida).
- - The \$.0106 per share paid by the Fund on December 9, 1993 represents a long-term capital gain distribution.

As required by Federal tax law rules, shareholders will receive notification of their portion of the Fund's taxable ordinary dividends and capital gain distributions paid for the 1993 calendar year on Form 1099-DIV which will be mailed by January 31, 1994.